

Sharon on panels, but has little power

By ASHER WALLFISH
Jerusalem Post Reporter

The cabinet yesterday made Ariel Sharon a member of two cabinet committees with important-sounding titles but relatively little involvement in day-to-day running of affairs.

He was put onto the Ministerial Security Committee and the steering committee for negotiations between Israel and Lebanon, both of whose responsibilities are related to his former functions as minister of defence which were transferred to Prime Minister Menachem Begin a week ago following the Kahan commission report.

The Ministerial Security Committee includes three-quarters of the cabinet and is an unwieldy body which rarely meets more than once a month, since Begin prefers to settle important issues either with two or three top colleagues, or in the cabinet as a whole.

A cabinet source said that Sharon could not possibly play a dominant role on the Ministerial Security Committee, but at the same time could, if he was so inclined, contribute some valuable insight.

Another cabinet source said he did not think that the various ministers responsible for their separate fields of activity in Judea and Samaria would relinquish any part of their responsibility or control to Sharon.

The steering committee on the Lebanese negotiations has met three times in the last three weeks to settle questions of general principle.

Apart from Begin, Foreign Minister Yitzhak Shamir, and (previously) Sharon, this body also includes Interior Minister Yosef Burg and Deputy Premier Simha Ehrlich.

Sharon is no longer on the two-man team of defence minister and foreign minister which monitors the day-by-day course of the negotiations. He has been replaced by Begin, who in turn will hand over to the next defence minister.

A cabinet source said there was no prospect that Sharon would continue to maintain the secret contacts with Lebanese figures which he had set up while he was defence minister.

(Continued on back page)

Labour decries positions for Sharon

Post Political Correspondent

TEL AVIV. — Opposition spokesmen were flabbergasted by yesterday's cabinet decision to include Ariel Sharon in the cabinet security committee and the cabinet negotiating team with Lebanon.

Labour Party secretary-general Haim Bar-Lev said that the decision was "adding insult to injury." Former justice minister Haim Zadok said that though the government was behaving within the letter of the law, this was "morally and politically indefensible."

Shinui chairman Amnon Rubenstein, who had led the campaign in the Knesset to set up the Kahan commission of inquiry, charged that the cabinet was "diluting the intention of the commission." He told

The Jerusalem Post that this was done in two stages: first, by leaving Sharon in the cabinet, and second, by letting him play a part in precisely those policy-making areas where the commission had found him at fault. Shinui will seek a Knesset discussion on the matter, he said.

In a statement issued last night, Peace Now said that the decision to allow Sharon to remain in the Ministerial Security Committee and the negotiations with Lebanon steering committee "makes a mockery of the conclusions of the Kahan commission report and of the government decision to carry it out in full."

Peace Now called on the government to honour the spirit of the report by seeing that Sharon is ousted from every public post.

Mystery shots in Tel Aviv kill man, wound two others

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — Three men were shot on Rehov Ussishkin early yesterday evening, one of them fatally, by a gunman who late last night was still at large.

Police launched a massive manhunt in the area, but as of press time last night police indicated they still had no clue to the gunman's identity. Police would only say that the three men had all been shot by a .22 calibre pistol, and would not speculate on whether the three were victims of a single attack or had been shot in separate incidents.

At 6.45 p.m. Michael Ortov, 36, of 94 Rehov Ussishkin, was shot in the hand while walking down the street. He entered a neighbour's apartment and asked her to call an ambulance, when the ambulance ar-

rived, the medical team found Ya'acov Alterovich, 36, lying on the pavement outside, a few houses down the road, with a bullet in the chest. He was transferred to Ichilov Hospital, where he died shortly afterwards.

At about the same time, Shmuel Gaver, 57, of 100 Rehov Ussishkin, felt unwell while walking home and told his wife to call an ambulance, suspecting that he had suffered a heart-attack. She went downstairs to find an ambulance already there, its team treating Alterovich and Ortov. She called the doctor, who found that Gaver had a bullet in his back.

Alterovich who is survived by his wife worked for a brokerage firm. Police do not suspect any connection between his professional action and the shooting.

(Continued on Page 2, Col. 1)

European police crack anti-Semitic terror gang

PARIS (JTA). — West German, British and French police forces are cooperating in investigating a series of murderous anti-Semitic attacks believed carried out by a gang of German neo-Nazis.

Five of the gang members are already under arrest, three in West Germany and two in Britain, and Frankfurt police yesterday said they are hunting for the sixth.

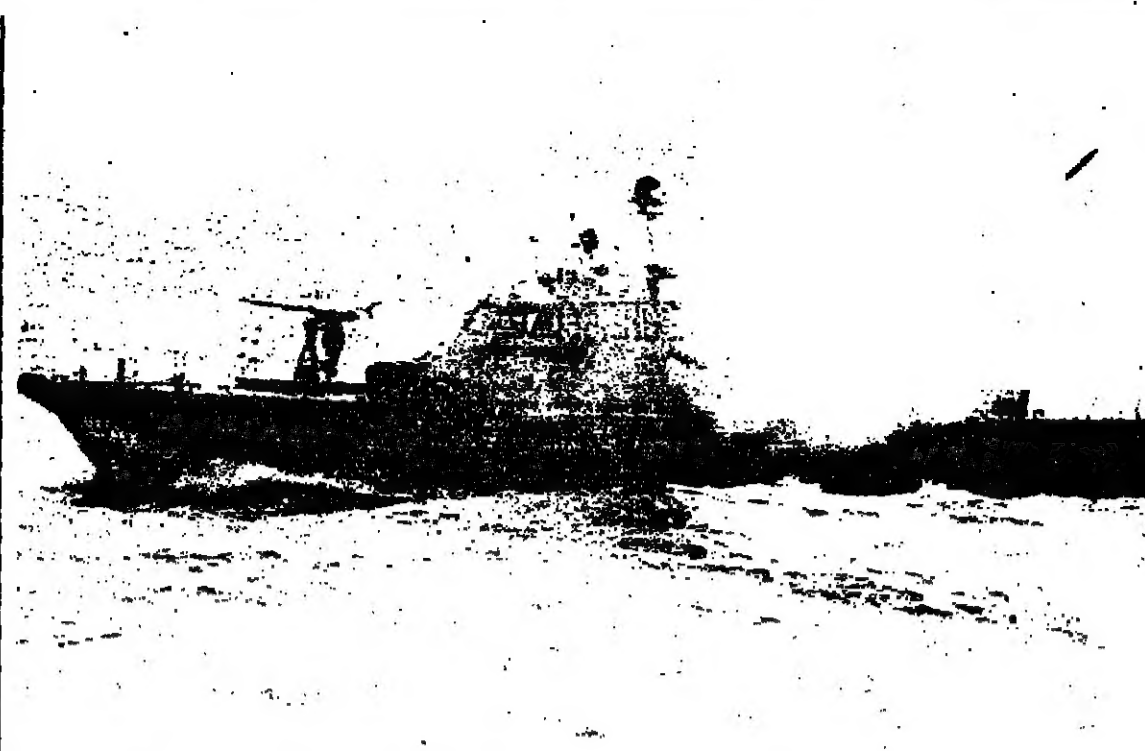
The West European police forces believe the gang might have carried out the August 9 attack on the Jo Goldenberg restaurant in Paris that killed six people and wounded 22, and might also be responsible for anti-Semitic attacks in Vienna, Berlin and London.

The first three terrorists, Dieter Spotler, 22, Hans-Peter Frass 22

and Helge Blasche 40, were arrested last Tuesday in Frankfurt. Acting on a tip-off from a suspicious neighbour, police searched the three men's hideout where they found arms and explosives.

At the request of the West German government, British police on Friday arrested two other suspected neo-Nazis in Poole in the south of England. Walter Kexel and Ulrich Tillmann, both Germans, are to appear today before a London magistrate to start extradition proceedings.

French and Belgian police officers were due to arrive in London last night to question the men. The Belgians suspect they might have been involved in the attack on a Brussels synagogue last summer.



An Israel Navy Dabur-class patrol boat fires a salvo of captured Katyusha rockets yesterday during an exercise somewhere off the country's coast. The Soviet-made 130mm. rockets have a range of nearly nine kilometres. (Zvi Roger, Camera 2)

PLO moderate quits Algiers parley

Jerusalem Post Reporter
and agencies

Issam Sartawi, one of the Palestine Liberation Organization's leading moderates, walked out of the Palestine National Council yesterday, claiming that the radical members of the PLO's parliament-in-exile had too much of a say in its current meeting.

Speaking to reporters in Algiers, where the PNC is meeting, Sartawi said that PNC Speaker Khaled Fahoum had not given him the floor in plenary meetings, while radical members had spoken for hours. Sartawi, known for his many contacts with Israeli leftists, is considered one of the most moderate members of the PNC and had recently said the body should recognize Israel.

There has been much jockeying for positions in this PNC meeting, which is regarded as critical for the future political course of the PLO. Chairman Yasser Arafat has been trying to push through a view that, while condemning U.S. peace plans, would allow him to continue negotiating with the Americans through Jordan. Radical members of the organization, aware of the need to end the session with a show of unanimity, have been trying to drag the consensus towards a resolution which would not give

Arafat any room for maneuvering in his negotiations. Arafat's camp reportedly holds the view that while U.S. President Ronald Reagan's peace plan far from satisfies Palestinian demands, only the Americans can wring concessions from Israel.

Recent unconfirmed reports from the council meeting said that the Palestinians had tried to court U.S. interest through Austrian Chancellor Bruno Kreisky. In a recent trip to Washington, Kreisky reportedly tried to sound out U.S. administration views on the conditions the Americans would demand before they agree to negotiate directly with the PLO. The U.S. terms were apparently unacceptable to the Palestinians and Kreisky returned to Vienna empty-handed. Kreisky's main contact with the PLO has been through Sartawi.

Sartawi's walkout does not necessarily mean that the mainline approach of Arafat, which favours indirect and cautious negotiations, has been defeated. Sartawi's complaints against Fahoum confirms an impression from agency reports that the radicals have monopolized the plenum. But there has been some speculation that the radicals were allowed to sound off their views in the general debate, which ended yesterday, to make it easier for the

Arafat camp to bring off the kind of final resolution it wants.

Sartawi's reported call for open recognition of Israel — which he says is in any case implicit in the PLO's endorsement of a Soviet Middle East peace plan in 1981 — is not at all what the Arafat camp has in mind. Even the most moderate members of the camp, before and during the meeting, talked in terms of a final PNC resolution that would do no more than signal to Jordan's King Hussein and the Americans that the Palestinians are willing to consider diplomatic action under American aegis.

Sartawi appeared bitter at the behaviour of the radicals during the general debate. "They speak on behalf of Libya, yet they are allowed to address the council for two hours or more while I am denied the floor," he said.

"It is outrageous that these marathon orations depict last year's events in Lebanon as a 'glorious victory' for the Palestinians, whereas in fact they were a major defeat, a disaster and a deep tragedy."

He added sarcastically: "If Lebanon was a victory, then what the PLO needs is more such victories, so we will all end up sitting in the Fiji Islands talking about a solution to the Middle East problem."

500 Moslems butchered in India

NELLIE, India (Reuters). — At least 500 villagers, many of them women and children, were killed by frenzied tribesmen on Friday in central Assam, local Indian officials said here yesterday.

Sixteen villages were wiped out in the attack on hundreds of immigrant families, mostly Moslems from Bangladesh, living in the rugged central Nowgong district of the northeast Indian state.

Police said they had collected 200 bodies, and several hundred more were lying in fields where they were cut down by the tribesmen using bows and arrows, axes, guns.

At least 150 corpses, many with gaping wounds and covered in mud, were left lying in open land and amid the debris of charred villages.

At least 300 people had died before the latest killings as violence stemming from an anti-immigrant campaign by hardline Assamese Hindus spread through the region.

The Assamese object to the inclusion of immigrants, mostly Moslems from Bangladesh, on the electoral register for the local assembly elections, but the clashes escalated into a wider conflict, drawing in tribal groups from the rice-growing Brahmaputra Valley.

They want the immigrants, whom they accuse of taking over land and jobs, to be disenfranchised and deported.

The villages, many on the high banks of a muddy stream, were surrounded by a muddy stream, were surrounded by a muddy stream.

(Continued on Page 3)

No casualties in Israeli-held zones

More than 100 said dead in Lebanon snow

Jerusalem Post Staff
and Agencies

More than 100 people have reportedly frozen to death in blizzards in Lebanon and off the Lebanese coast yesterday.

The Lebanese army and the civil defence were also searching for hundreds of Lebanese civilians and soldiers believed to be trapped in the snow, as over 300 people were reported missing.

According to Lebanon's Christian radio station, two of the persons found frozen to death in an automobile yesterday were the Japanese ambassador and his driver.

Israeli military sources said there had been no casualties in the Israeli-controlled zones. The IDF said the Beirut-Damascus highway was open to all travellers, but there were no reports as to whether side roads in

the region were open.

IDF soldiers who are expected to spend some 30 per cent of their time outdoors were issued extra warm clothing.

Police said four Lebanese soldiers died while rescuing marooned victims, adding that more than 170 other motorists were believed still trapped in the blizzard on the Beirut-Damascus highway.

The command of Lebanon's multinational peace-keeping force has asked at President Amin Jemayel's request both the Syrian and the Israeli armies to help Lebanese rescue teams in their respective areas. The Syrians sent in Alpine units and the Israelis illuminated the blizzard scene with flares during the night, according to police.

Gale winds, meanwhile, sent two-metre waves lashing at the ancient Lebanese coastal town of Tyblos, 30 kilometres north of Beirut, where four people drowned.

Only brief let-up seen in wintry weather

Jerusalem Post Staff

BEIT DAGAN. — The stormy weather of the past three days is expected to ease up slightly today and to clear up tomorrow — but will return in full force during the latter part of the week.

This was the forecast of duty weatherman Eliezer Danziger at the meteorological centre here last night. He said there should be some brighter weather tomorrow, but the rains are set to return on Wednesday and to continue for several more days.

The snow in the hilly regions will most probably not be melted by the brief fine spell, but the rain in the latter part of the week might be accompanied by lower temperatures, Danziger said.

In Jerusalem, the municipal emergency services were still

standing by late last night in anticipation of snow, although most of the snow which fell yesterday was washed away by rain.

The city opened its emergency snow headquarters in a building in Rehov Coresh in the afternoon, but with a reduced staff, as no snow had accumulated. But it had informed dozens of staffers from all relevant city departments to report for duty if the snow stuck to the ground.

Following reports from hospitals in Jerusalem that a number of residents had suffered broken bones from falls, the municipality called on Jerusalemites to walk carefully if they have to go out.

There were 10 cases of flooded apartments, all in older and lower neighbourhoods. One family had to be sent to a hotel.

(Continued on Page 2, Col. 1)

Ali, Sasson discuss Lebanon and Taba

CAIRO (Reuters). — Foreign Minister Kamel Hassan Ali met Israeli Ambassador Moshe Sasson yesterday to discuss bilateral and Lebanese issues, officials said.

The officials said the 45-minute discussion dealt with the talks involving Lebanon, Israel and the

U.S. on a withdrawal of foreign troops from Lebanon.

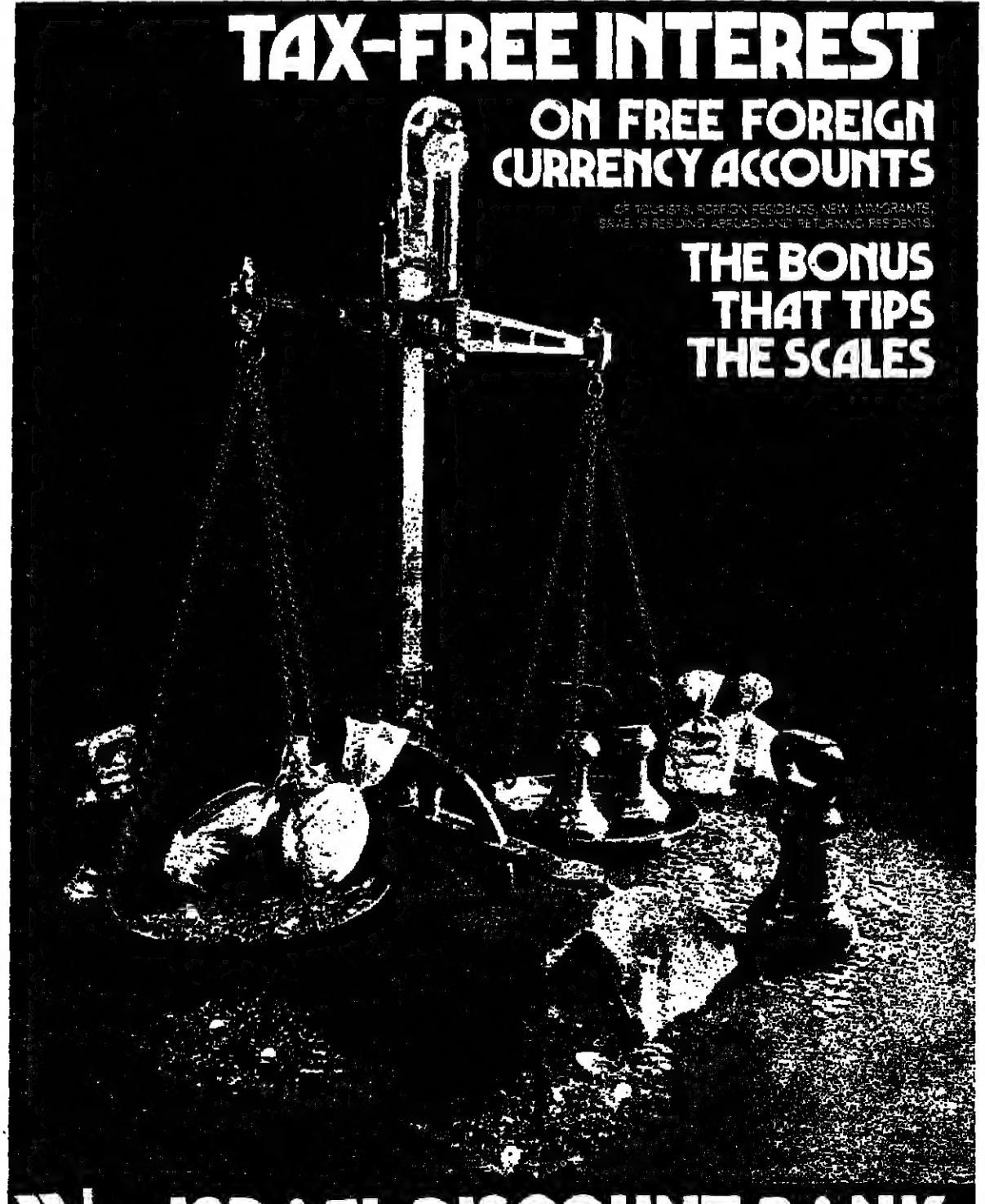
They also raised the issue of Taba, the coastal strip in Sinai over which both countries claim sovereignty.

The officials gave no further details.

TAX-FREE INTEREST ON FREE FOREIGN CURRENCY ACCOUNTS

OF YOURS, FOREIGN RESIDENTS, NEW IMMIGRANTS, ISRAELI RESIDING ABROAD AND RETURNING RESIDENTS.

THE BONUS THAT TIPS THE SCALES



ISRAEL DISCOUNT BANK

Head Office: 27 Yehuda Halevi Street, Tel Aviv, Israel. Tel. (03)657111
U.S. SUBSIDIARY: ISRAEL DISCOUNT BANK OF NEW YORK
Main Office: 511 Fifth Avenue, Tel. (212)551-8500

'Slave market' funnels 6,000 illegal workers daily

By JOAN BORSTEN

SIX A.M. on a recent Friday morning, still so dark that drivers are using their headlights. We ply Jaffa's Rehov Yehuda Hayamit in search of what locals callously call the

Shuk Ha'avdim, The Slave Market — a taxi stop that serves as an unofficial official meeting place for Gazans without work permits in search of short-term jobs and Israelis in need of manual labourers

for a day or two. There are at least 10 such "labour exchanges" in the Greater Tel Aviv area frequented by as many as 6,000 Gazans a day.

A few blocks west of Sderot Yerushalayim, the photographer spots several parked Peugeot and Mercedes taxis, all bearing the tell-tale silver licence plates that identify a vehicle as being registered in the Gaza Strip; an additional Hebrew letter further pinpoints the precise town or refugee camp.

In the next hour, several dozen more taxis, as well as a few buses (some with Israeli licence plates) and private cars will pull over to the curb, usually to disgorge more passengers than they are entitled to carry. This being a Friday, we are told, traffic is lighter than usual.

In the wooded park between the cabs, several dozen Arab men huddle around a campfire. Most left their homes in the Strip two to three hours earlier. We call them Gazans, but actually they are refugees from the southern regions of Mandatory Palestine who fled to the Strip in 1948. Or their sons. They speak Hebrew with varying degrees of fluency. Their Arabic has been influenced by the accent and vocabulary of the Egyptians who ruled them from 1948-1967, as has their manner.

In age, the workers range from 16 to 52. Young Bassam, a resident of the Jabaliya refugee camp, says that since turning 12 he has accompanied his father to the Jaffa labour

(Continued on Page 5)

KADIMOR Ltd., KADIMA

Leading manufacturer and exporter of

lambskin garments

of finest entrefino and other sheepskin qualities
seeks contact with well established agents/importers
for Scandinavia, West Germany and the USA.

To arrange an appointment, please phone 053-99207

The weather at major Swissair destinations

	* 20.2.83		MIN. MAX.			
	C	F	C	F	C	
AMSTERDAM	0	32	3	37	Cloudy	
BRUSSELS	5	22	3	36	Clear	
BUENOS AIRES	22	70	33	92	Rain	
CHICAGO	1	33	13	56	Cloudy	
COPENHAGEN	0	33	3	37	Cloudy	
FRANKFURT	0	32	6	43	Cloudy	
GENEVA	9	18	2	36	Clear	
HELSINKI	0	27	1	32	Cloudy	
HONG KONG	14	27	15	59	Rain	
JOHANNESBURG	15	50	30	86	Clear	
LISBON	10	50	14	57	Rain	
LONDON	1	34	1	33	Cloudy	
MADRID	4	29	13	55	Clear	
MONTREAL	7	19	2	28	Clear	
NEW YORK	1	24	9	48	Clear	
OSLO	4	29	0	32	Clear	
PARIS	2	29	9	48	Clear	
RIO DE JANEIRO	21	89	39	102	Cloudy	
SÃO PAULO	20	88	38	100	Cloudy	
STOCKHOLM	8	18	4	39	Clear	
TOKYO	1	34	10	50	Clear	
TORONTO	5	41	8	46	Cloudy	
VIENNA	5	23	0	32	Cloudy	
ZÜRICH	9	21	1	34	Cloudy	

* For the latest news, contact Swissair.

Offices in Israel:
Tel Aviv, 53 Ben Yehuda St. (03) 2432 55
Jerusalem, 30 Jaffa St. (02) 252 32
Tel Aviv, 2 Sea Road (04) 846555

* For the latest weather conditions, contact Swissair.
Tel Aviv, 53 Ben Yehuda St. (03) 2433 55
Jerusalem, 30 Jaffa St. (02) 2252 33
Haifa, 2 Sea Road (04) 84655

swissair

THE WEATHER

Forecast: Rain and cold, snow on mountains.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	96	0-4	5
Golan	96	0-4	5
Nahariya	96	7-11	12
Safed	96	0-1	2
Haifa Port	98	8-12	12
Tiberias	92	7-11	12
Nazareth	96	7-11	10
Afula	76	8-12	12
Shimon	91	3-6	6
Tel Aviv	64	8-12	12
B-G Airport	69	4-11	12
Jericho	96	8-13	12
Gaza	82	8-13	13
Beer-Sheva	50	6-12	12
Eilat	25	12-19	19

SOCIAL & PERSONAL

Tove Nielsen, chairwoman of a visiting delegation of the European Parliament, yesterday visited Jerusalem's Wizo baby home in the company of Raya Savidor, wife of the Knesset Speaker. Nielsen left for home yesterday afternoon.

DEPARTURES

Interior Minister Yosef Burg for Frankfurt, on a seven-day visit to West Germany on behalf of Israel Bonds.

BRIEF LET-UP

(Continued from Page One)

Dozens of older trees fell dangerously into streets and on sidewalks, and the municipality sent out teams to clear them. The army was prepared to clear roads in case of heavy snowfall and 50 city snowplows were also readied.

The Tel Aviv - Jerusalem train did not set out yesterday morning, after the railway bridge at Rosh Ha'ayin was flooded. Later in the day the train was able to proceed as scheduled.

There were also heavy rains all over Galilee yesterday, causing some damage to the roads. Farmers were unable to work in the fields for the third successive day.

MYSTERY

(Continued from Page One)

activities and the shooting. In addition there is no connection between the three men who were shot. Neither the persons involved, nor any of the neighbours heard gunshots during the incident, which occurred in heavy rain.

A special police investigation team headed by Rav-Pakad Rafael Turgeon of the Yarkon sub-district is investigating.

TREMOR. — A tremor measuring 4.8 on the Richter scale shook Greece's western Peloponnese yesterday, causing panic but no casualties or damage.



The World Council of Synagogues
14TH BIENNIAL CONVENTION (FEB. 21-28, 1983)

TUES. FEB. 22, 1983

Schedule of Events Open to Public
Jerusalem Laromne Hotel

9.30 a.m.	Plenary Session I. "The Conservative Movement in Israel — Its Achievements, Prospects and Goals." Speaker: Dr. David Gordis, Foundation for Conservative Judaism in Israel.
10.00 a.m.	Concurrent Workshops: "Achievements and Challenges: Building Our Movement in Israel."
8.30 p.m.	Plenary Session II. "Impact of Peace in the Galilee on Israel/Diaspora Relations." Speakers: Chaim Herzog, M.K., Rabbi Mordechai Waxman, President World Council of Synagogues.

ISRAEL LANDS ADMINISTRATION Southern District	MINISTRY OF CONSTRUCTION AND HOUSING	ARAD LOCAL COUNCIL	ARAD MUNICIPAL DEVELOPMENT Co. Ltd.
---	--	-----------------------	--

Build Your House in Arad — Plots Still Available

A number of plots are still available for allocation under the above scheme. These plots will be offered to the public, on the basis of the updated value of the land and cost of development work. All other conditions are as published in the prospectus, subject to the provisions of this notice.

These plots will be offered on a first come, first served basis, starting at 10 a.m. on Monday, February 28, 1983.

At this time, a draw will be held among those who have come to register for a plot. When registering (at the offices of the Israel Lands Administration) a deposit of IS 20,000 is to be made by banker's cheque, this being an advance on the ground rent.

Additional details are available from the district office of the Administration in Beersheba (Rehov Ben Zvi, above Ullamel Yehalom).

This notice is in effect until May 28, 1983.

HOME AND WORLD NEWS

Shamir: Syria gives no sign that it will withdraw troops

By ASHER WALLFISH
Jerusalem Post Reporter

There are no indications that Syria intends to withdraw its troops from Lebanon, Foreign Minister Yitzhak Shamir told the cabinet yesterday.

This leads to concern that the withdrawal of all foreign forces will be harder to achieve than was originally believed, Shamir said in a briefing on the state of the Lebanese negotiations.

Progress has been made with the Lebanese delegation in drafting the language of a number of sections of the planned agreement with Lebanon, Shamir said. However, differences between the countries had not yet been resolved in various

important spheres. Shamir said the agreement on language reached at the lower level would soon have to be cleared between the ministers in charge in both governments through the intermediary of U.S. Ambassador Philip Habib.

The round of talks due to be held in Netanya today has been postponed because of bad weather.

However, Habib will meet with the Israeli delegates again today as he did yesterday and on Friday.

The differences between Israel and Lebanon are over the anti-terror posts in Southern Lebanon, the functions of UNIFIL, and the movement of people and goods between the two countries.

Body of Ein Gedi hiker found at bottom of cliff

By LIORA MORIEL
Jerusalem Post Reporter

BEERSHEBA. — The body of Segen Or Ilan, 22, was found yesterday afternoon at the bottom of a 50-metre cliff near Ein Gedi's Nahal Arugot.

The body was spotted by a team of soldiers using long-range field glasses from a nearby cliff, and was retrieved by a military helicopter.

Ilan was a paratrooper in the regular army and was due to end his service today. He set out alone on Thursday morning for a day-long hike, equipped with topographical maps of the Ein Gedi area.

A friend reportedly warned him

that the route he intended taking was dangerous and urged him to change his mind. But Ilan apparently stuck to his plan.

More than 500 schoolchildren joined nature reserve officials, police and soldiers combing the area yesterday. Ilan's body was found after eight hours of searching.

Ilan, who came from Jerusalem, is survived by his mother, sister and two brothers.

Nature Reserves Authority spokesman Ya'acov Shmuel yesterday asked all hikers in the desert area, where flash floods are common, to register their planned routes with the Nature Reserves Authority in the area.



Former Defence Minister Ariel Sharon's car was left out in the cold outside the Prime Minister's office during the Cabinet meeting this morning — and in a short time became covered with ice.

(Rahamim Yisraeli)

Released Israeli tells of interrogation in Mozambique

Jerusalem Post Staff

An Israeli who spent nearly three months in a Mozambique prison said yesterday that he had been questioned by a Cuban interrogator and turned away by South African border authorities after his release because he had no visa or money.

Amikam Efrati, 27, was turned over to Israeli diplomats in Swaziland on Saturday and described his ordeal in telephone interviews with Israel Radio and Ma'ariv.

He said he was interrogated by a Cuban security man, who accused him of gathering data on Mozambican and Cuban military movements in the East African country, and was kept for 20 days in a tiny cell, in which he could only lie down with his legs folded.

However, he said he was never beaten or tortured, received reasonable nourishment and was

treated in a hospital when he caught a fever.

Efrati said that last Wednesday he was put on a train to Pretoria, but was turned away at the border because he had no visa or money. "I wept, I begged them not to send me back into that hell, but it didn't help. I spent the night in a South African jail and was sent back to Maputo, the Mozambique capital, the next day," he told Ma'ariv.

Efrati is expected to return home to Kibbutz Ein Zivan on the Golan Heights at the end of this week or the beginning of next week. The kibbutz is preparing a huge welcome for him.

His mother, Ilana Efrati, who lives in Haifa, has promised that she will give a party for all those who helped free her son. The Jerusalem Post has learned that MK Uri Sabag appealed to friends in the French Socialist Party to help secure Efrati's release, and that a delegation from that party recently visited Mozambique. Daniel Rosolio MK was also reported to have been active in securing his release.

South Africa attack kills 96 SWAPO men

JOHANNESBURG (Reuters).

South African forces have launched more anti-guerrilla operations in Namibia (South West Africa) after killing 96 insurgents there in recent days, a military spokesman said yesterday.

The announcement of the guerrilla casualties Saturday night came a day after Foreign Minister Piki Botha said South African and Angolan officials would probably meet in the Cape Verde islands this week to discuss a possible cease-fire.



Attending the annual ceremony yesterday to commemorate the IDF fallen whose place of burial is not known, were Prime Minister Menachem Begin (second from left), President Yitzhak Navon (on his left) and then, in order, Chief of Staff Rafael Eitan, Chief Rabbi Shlomo Goren, and former chief of staff Mordechai Gur. The ceremony took place on Mt. Herzl, near the monument to the lost submarine, Dakar.

Egypt ready to help defend Sudan

CAIRO (AP).

Egypt's defence minister said yesterday he saw no sign of an imminent military threat to Sudan, but warned his country would stand by its southern neighbour against foreign aggression.

Field Marshal Abdel-Halim Abu Ghazala made the remark following a meeting with a high-level U.S. delegation visiting Egypt for talks on military cooperation.

Following the meeting, Abu Ghazala said he did not believe Sudan was threatened by "external aggression," despite reports from Washington and Khartoum that Libya was massing troops near the Sudanese border.

But Abu-Ghazala added: "Egypt will stand by Sudan against any aggression that it might be subject to."

Egypt and Sudan signed a mutual defence pact in 1976 which obligates Cairo to come to the aid of its southern neighbour in the event of foreign aggression.

Last week sources in Washington said the U.S. was moving an aircraft carrier near Libyan shores and had dispatched four AWACS surveillance planes to Egypt following indications Libyan leader Muammar Gaddafi was planning to destabilize the Sudanese regime of President Ja'afar Numeiri.

UK to receive Arab League delegation

LONDON (JTA).

Britain has finally agreed on the composition of an Arab League delegation which is to come to London next month to discuss the Arab-Israeli conflict.

The delegation's visit has been postponed three times in the last five months. It is expected to include a Palestinian representative acceptable to both Britain and the PLO, and will be headed by King Hassan of Morocco.

Britain has so far refused to accept a PLO representative unless that organization renounces terrorism against Israel and indicates its readiness to recognize it. The deadlock provoked Saudi Arabia to cancel a visit by British Foreign Secretary Francis Pym.

Jordan's King Hussein will today hold talks here with Prime Minister Margaret Thatcher.

Lebanese minister survives bomb attack

BEIRUT (AP).

A bomb exploded at mid-morning on the coastal highway near Damour, 20 kilometres south of the Lebanese capital.

Police said the blast missed an Israeli patrol by a few seconds, going off just as a limousine carrying Lebanon's Housing Minister Bahaddin al-Bsat, reached the spot. Al-Bsat was on his way to Sidon, his native town.

The blast caused considerable damage to the car and slightly wounded the minister's driver. But al-Bsat survived unscathed, according to police.

Shultz foresees solution to warning station problem

Jerusalem Post Correspondent

WASHINGTON. — Secretary of State George Shultz yesterday denied that the U.S. was simply pressing for a speedy withdrawal of Israeli forces from Lebanon.

"Our policies are the speedy withdrawal of all forces in a manner that is consistent with the security needs of Israel, and the emergence of a Lebanon that can govern itself," he explained during an interview with ABC's This Week television news programme.

At the same time, Shultz opposed a permanent Israeli military presence in Southern Lebanon.

"Israel's security needs are an important and legitimate aspect of any withdrawal plan, and there is no controversy about that whatever," he said.

"The problem is how do you do

it? And I think that proposals to have a permanent Israeli armed force presence in Lebanon are hardly consistent with the idea of sovereignty for Lebanon."

Nevertheless, it seems to me, there are ways to give the kind of insurance that Israel properly wants in Southern Lebanon that are consistent with the sovereignty (of Lebanon)."

Shultz declined to provide specifics of proposals to meet Israel's security needs. However, he supported "a degree of normalization" between Israel and Lebanon.

In response to another question, he said: "I have been to Lebanon and to Beirut in the days before the PLO ravaged that country and seen what a beautiful and central place it can be in the Middle East."

Senator Jackson labels Sharon 'a liability to Israel'

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — Senator Henry Jackson (Democrat - Washington) yesterday assailed former defence minister Ariel Sharon, insisting he has become "a liability" to Israel.

In marked contrast, Jackson praised outgoing ambassador Moshe Arens, who has been named to succeed Sharon. Arens, Jackson said, is "a brilliant man," who will bring "great credit" to Israel.

In an interview on the CBS-TV news programme Face the Nation, the senator cited "some experts" as predicting that Arens may succeed Prime Minister Menachem Begin. Jackson said that Arens has "the unique advantage of understanding America and diplomacy very well."

While refusing to comment on yesterday's announcement that Sharon would continue to serve on the ministerial committee overseeing the events in Lebanon, Jackson said: "There's no doubt that the former defence minister caused serious problems for the Israeli government."

Later, in response to another question, Jackson said that Sharon was "a liability, as has been

demonstrated, not only in this country, (but) he was a liability within the Begin government."

Jackson, one of Israel's best friends in Washington, commended the Israeli government for "acting decisively" in accepting the recommendations of the Kahan Commission.

On another issue, Jackson expressed deep concern over the stationing of Soviet SA-5 surface-to-air missiles in Syria, manned by Soviet personnel. "It is going to pose the question: will the Israelis, of course, take pre-emptive steps against the operation of those sites?" he said.

Meanwhile, Arens said in an interview published yesterday that some members of the Reagan administration wanted to "kick Israel in the teeth."

U.S. impatience over the progress of talks on the withdrawal of foreign forces from Lebanon had contributed to a worsening of Israeli-American relations in recent months, he told The New York Times.

Arens said some U.S. officials had idealistic notions about how quickly a negotiated settlement could be achieved in Lebanon.

Knesset body okays loan to judge

Post Economic Reporter

The Knesset Finance Committee yesterday retroactively approved a \$1.6 million housing loan extended by the Treasury to Supreme Court Justice Dov Levin. At the same time the committee decided to offer similar loans at easy terms to other judges in civil and religious courts.

The loan, which was granted to the judge last August to enable him to move his residence to the capital, provoked accusations by Alignment members against Finance Minister Yoram Aridor. MK Adi Amori

charged last week that the minister had acted illegally by not informing the committee about his intentions of granting the loan.

Amorai said yesterday that the committee's decision prevented a situation of potential preferential treatment to one judge by extending the arrangement to other judges.

Tourism

More than 100 travel agency executives from Western Europe and the U.S. are attending a tourism convention starting today in Eilat.

Museum gang also robbed synagogues

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — The gang that broke into Ha'aretz Museum two years ago, stealing \$3 million worth of Judaica, also broke into some 70 synagogues throughout the country, and after melting down the stolen articles, sold the precious metal to jewelers, police said yesterday.

An investigation following the arrests of the six suspects during the past two weeks also revealed chemicals and equipment used to produce synthetic cocaine which police believe the gang sold locally.

Two weeks ago the police arrested five persons, including two married couples, after finding several of the stolen articles in kit-bags which the couples were packing into a car. Several others articles were found hidden in a Ramat Gan apartment of one of the couples. Several of the items were found to have been stolen from synagogues in Acre, Nahariya, Hatzor, Yokneam, Or Yehuda, Ramat Gan and several other places.

A few days after the first arrest, police took dozens of jewelry merchants in for questioning after finding stolen items in their possession.

In one of the burglaries in December in Bnei Brak, police said, gang members dressed as ultra-Orthodox Jews to remain inconspicuous. The costumes were lent to them by a costume designer on Israel Television, who was not aware of the purpose they would be used for, police said.

Former Soviet Prisoner of Zion Leonid Kalchinsky, who is suspected of belonging to the gang, has been declared a fugitive from the law. Kalchinsky emigrated to Israel two years ago.

Several of the stolen articles were smuggled out of Israel, but were returned when the gang was unable to sell them abroad, police said.

Last night police found two stolen silver candlesticks in the possession of a man in Moshav Nehalim, who claimed to have bought them in good faith.

Lebanese need more time for probe

BEIRUT (Reuters).

The Lebanese government's investigation of the massacre of Palestinians in Beirut last September will take at least another six weeks to complete, the official in charge said in an interview published yesterday.

Asaad Germanos, Lebanon's military prosecutor, told the English-language weekly magazine Monday Morning: "I am not working full-time on this investigation. I am spending a lot of time on it, helped by assistants. I am asking for at least one and a half months."

Israel's Kahan Commission named the perpetrators as the Lebanese Forces.

The Lebanese Forces are the most powerful private army in Lebanon and are dominated by members of the Phalangist Party, led by the father of President Amal Jemayel.

The militia has repeatedly denied any involvement, and their Muslim and leftist opponents have publicly blamed Israel.

Mozambican rebels kill 31 civilians

MAPUTO, Mozambique (AP).

Guerrillas opposed to the Communist government killed 31 civilians in two attacks this month in central Mozambique, it was reported yesterday.

The official news agency, Afp, quoted hospital officials in Chimuto as saying 18 civilians were killed and 14 wounded on February 2 when rebels attacked a convoy of trucks. Most of those who died were riding in the back of a truck that was destroyed.

We are deeply grieved by the passing in the USA of

ABRAHAM RAVREBY

His wife: Etta
His daughter and son-in-law: Eleanor Ruth and Barry Agron
His son and daughter-in-law: Mark David and Ronit Ravreby
His grandchildren: Amia and Debbie
And the whole family in Israel and the United States

The Anti-Defamation League of B'nai B'rith shares in the sorrow of a friend

JACK PADWA

on the passing of his

Father

Due to unforeseen circumstances, the funeral of

HEINZ ROTHENBERG

has to be postponed from today, Monday, February 21.
Kindly contact the family, Tel. 04-86020.

It is with profound sorrow that we mourn the passing of our mother, grandmother, and great-grandmother

Harabbanit

CHAYA SARAH CHARLOP

the righteous matriarch whom we were privileged to love, and whose passing has left a vacuum which it will be hard to fill. The funeral will take place at Yeshivat Beth Zvi, 59 Rehov Keren Hakayemet, Shaarei Hessed, today, Monday, February 21, 1983 at 3:00 p.m.

Shiva will be observed by her son Rabbi Zevulun Charlop ז"ל at 55 Rehov Malchei Israel, Jerusalem.

In deep sorrow, we announce the passing of our beloved brother and brother-in-law

MARTIN WOLFF

Ramat Chen

The Bereaved Family

Limited Partners

Bipartisanship Can Cut Two Ways in Party Plans for '84

By HOWELL RAINES

WHENEVER a President and his Congressional rivals work together in the spirit of bipartisan cooperation for the good of the nation, an inevitable question arises. Which side is going to be able to use the products of their compromise to advantage in the next election?

By ballyhooing President Reagan's willingness to work with the Democrats on Social Security and jobs legislation, White House aides clearly hoped to provide Mr. Reagan with a record of concern for the elderly and the unemployed for a 1984 re-election campaign. At first glance, they appeared to be succeeding with the assistance of the Democrats. The party's Congressional leaders, for example, agreed to support Mr. Reagan's \$4.3 million emergency jobs bill, even as they let the President get away with the contention that he was still opposed to legislation creating "make-work jobs."

Scarcely a Democratic protest was heard when Senator Howard H. Baker Jr. of Tennessee, the majority leader, listed House Speaker Thomas P. O'Neill Jr. as Mr. Reagan's ally in a new joint leadership venture. "The President," Senator Baker concluded, "has achieved a bipartisan approach to the major problems confronting this country." What, a cynic might ask, do the Democrats expect their own Presidential candidates to run on in 1984 if they let Mr. Reagan buy into their best issues?

The Benefits of Cooperation

But history teaches that the opposition party can profit from appearing cooperative.

For example, when Lyndon Johnson was the Senate majority leader, he carried a laminated scorecard showing how much Republican legislation he had helped pass for President Eisenhower. Yet, in the 1960 election, Mr. Johnson was the Vice Presidential candidate on a Democratic ticket that turned the Republicans out of the White House largely because the Kennedy-Johnson team stood for an activist alternative to the cautious approach embodied in the Eisenhower legislative record.

Presidential elections seldom turn on legislative mechanics. Presidential elections are, more typically, about values and styles of leadership. Some Democratic political professionals are convinced that Mr. Reagan's value profile is so fixed in the public consciousness as to be immune to the tinkering of his political managers and to alteration by legislative maneuvering.

"I think Ronald Reagan's problems on the issues of compassion and fairness are so deep and so fundamental to his Presidency that no single action will have any substantial impact," observed James A. Johnson, the campaign manager for former Vice President Walter F. Mondale. Greg Schneiders, a



Speaker Thomas P. O'Neill Jr. (left), President Reagan, unemployed worker in Michigan, B-1 bomber.

former aide of President Carter and now press secretary for another likely Democratic Presidential candidate, Ohio Senator John Glenn, acknowledged that in cooperating with a sitting President of the opposite party there is "always a risk of having your issues co-opted." But he added, "I don't think there's much fear on the part of any candidate that Reagan is going to so moderate his stand or enter into such extensive bipartisan activity that it will not be easy to draw distinctions between Reagan and Democratic candidates in '84."

But Democratic Congressional strategists are not so confident. They worry about the Administration's ability to use bipartisanship to Mr. Reagan's advantage. Given a choice, "I'd never get in a room with Jim Baker," joked a Capitol Hill assistant. He was referring to James A. Baker 3d, the White House chief of staff who is in charge of the White House effort to make the most of Democratic issues. "This is damage control on their part, and we're helping them," said Christopher J. Matthews, an aide to Mr. O'Neill in referring to the jobs bill. "We're doing it because the Speaker is convinced it's a matter of national importance."

With both Mr. O'Neill and Mr. Reagan exhibiting an uncharacteristic preference for accommodation rather than confrontation, a few savants are suggesting that something more than a flirtation with bipartisanship is going on here. Horace W. Busby, the author of a popular political newsletter and a former adviser to President Johnson, said this may be the start of an era of coopera-

tion, made necessary by national problems so weighty that one party cannot handle them alone. The parties are now in a position "where they stand together or they fall together," he said. "There is no longer any place for an obstructionist role on the part of either party."

But if there is a long-term trend against obstructionism, it appears certain to face a setback between now and the 1984 election. Neither the White House nor the Democrats can afford to be so cooperative as to let the other side dictate the national agenda for the next year. Indeed, in a speech Friday night, President Reagan declared that conservatives would "need more than two years to deal with the mess left by others over a half century." Meanwhile, Mr. O'Neill was telling a union audience that the Reagan Administration "should be ashamed of the dreadful conditions this recession has caused."

The Democrats are poised to hit on another front. "I think we'll be turning our attack on tax policy and again using fairness as the key issue," said Robert Neuman, the spokesman for the Democratic National Committee. At the moment, Democrats can hardly conceal their optimism about running against Mr. Reagan in 1984. That optimism could be destroyed if the economy blossoms into a full-scale recovery. At the same time, Democrats are still searching for a way to challenge Mr. Reagan's defense policies. Colorado Senator Gary Hart, who formally declared as a Presidential candidate last week, thinks he has the answer; he repeatedly calls for the maintenance of a strong military coupled with "reforms" that would result in efficiency and savings.

But even with all the concentration on issues, the elec-

tion could turn on how well Democrats adjust to a new blend of political geography and party loyalties.

For years, demographers, futurists and political strategists have been predicting that the Sunbelt would rise to political dominance. That day appears to be at hand, but the new importance of those generally conservative states has not proved to be the political bonanza that the Republicans expected. By Mr. Busby's count, Democrats still hold over 70 percent of the Sunbelt's Congressional seats. Moreover, the recession has hurt Mr. Reagan's personal standing in the region.

That means that the Democrats have a chance to take advantage of a truce in Deep South politics that also has relevance for other Southern tier states. Given a choice between a conservative Republican and a conservative Democrat, Southerners and many other Sunbelters will go for the Democrat. Some theorists have been advancing the argument that Mr. Reagan can be taken if the Democrats pick either a center-right Presidential nominee or offer a ticket balanced by a Vice Presidential candidate with strong regional appeal.

Snowbelt or Sunbelt, one reality abides for Mr. Reagan. If he wants to run and win in 1984 he needs Democratic popular votes. A Republican with access to White House political polls said that Mr. Reagan also needs Democratic Congressional votes to maintain his political health. "His popularity rises or falls," the Republican said, "with the perception he can or cannot work with Congress." That indicates that the new bipartisanship will last at least until the Democrats can find a way to withdraw without appearing obstructionist.

Major News

In Summary

The House Will Get Its Look at E.P.A. Records

One of the several shadows over the Environmental Protection Agency lightened last week when the Reagan Administration agreed to give House committee members access to documents they had subpoenaed. The move ended a constitutional battle that began when President Reagan ordered E.P.A. Administrator Anne M. Gorsuch to withhold the records, leading Congress to cite her for contempt.

"We have just signed a memorandum of understanding which I think is an historic document," said Representative Elliott H. Levitas, chairman of the House Public Works oversight subcommittee, whose members must keep all information in the papers confidential. President Reagan said: "The agreement strikes an appropriate balance in that it is consistent with the doctrine of executive privilege, while it also assures that necessary information is made available to the Congress in the legitimate pursuit of its responsibilities." Part of the agreement is that Rep. Levitas win House passage of a resolution lifting the contempt citation.

The constitutional crisis was just part of the crisis facing the agency and the White House. The Justice Department and the Federal Bureau of Investigation last week began to examine whether E.P.A. employees destroyed subpoenaed records, and whether former assistant administrator Rita M. Lavelle violated conflict-of-interest laws. No fewer than six congressional committees are studying alleged mismanagement of the \$1.6-billion Superfund program for cleaning up toxic waste dumps.

Miss Lavelle's appointment calendar, which she made available to a Senate committee, revealed that as head of the E.P.A.'s hazardous waste program she had met and dined frequently with chemical industry officials (often at their expense), but never with environmental lobbyists. The executives came from companies such as Dow, Monsanto, E.I. du Pont, Stauffer and Union Carbide, some of which were potential defendants in enforcement cases. Rep. John D. Dingell of Michigan, chairman of the House Commerce Committee's investigations subcommittee, said that his attempts to serve a subpoena on Miss Lavelle had been unsuccessful and that he might have to issue a contempt citation.

At a stormy hearing before the Senate Environment and Public Works Committee on the E.P.A.'s 1984 budget, Mrs. Gorsuch said that criticism of the agency amounted to "political harassment." But Senator George J. Mitchell, Democrat of Maine, objected, saying, "I do not believe that the overwhelming majority of those environmentally concerned people are Democrats — they are Americans acting on their concerns about the environment." Senator Max Baucus, a Montana Democrat, said: "There is a feeling in the country that E.P.A. no longer cares."

In a surprise move, the Justice Department gave Mr. Levitas a tape recording containing information on cleanup enforcement cases similar to that in the subpoenaed papers, apparently without even listening to the tape. "The statement they made was that shredders are bad enough, we don't need tapes," he said of the Justice Department officials. Lawyers at Justice were said to be horrified by the existence of the tapes.

Although the tangle over executive privilege appeared to be finally straightened out, the environmental

agency found itself in yet another knot when its inspector general's audit was unable to show that almost one-third of the \$180 million committed to toxic waste cleanups last year was spent properly. While the report charged no illegalities, Representative James H. Scheuer, Democrat of Queens, said it showed "sloppy, unprofessional, unbelievably amateurish and incompetent management." Agency audits of 10 cleanup contracts showed that \$1,348,630 had been erroneously claimed by contractors and improperly charged to Superfund, a House Government Operations subcommittee said.

A Small Step to Lebanese Unity

In the crazy quilt of conflicting forces that is Lebanon, any move toward achieving national integrity is important. Last week, after months of hovering on the edges of East Beirut, the Lebanese army moved in and took control from private Christian militias in the name of the Government. These forces shifted to the hills northeast of the capital, a still intact and ever formidable threat to President Amin Gemayel, their nominal ally.

But Mr. Gemayel could at least claim sovereignty over the whole capital, the army having taken over of the former Palestinian stronghold of West Beirut five months ago. Helping out his army in East Beirut were United States Marines who expanded their patrols. The President called the new move "the first step toward the reunification of the whole of Lebanon" and said the world was waiting to judge whether the Lebanese state could rise again.

For the moment, the world saw 25,000 Israeli troops on Beirut's outskirts and in the south, 30,000 Syrians and 7,000 Palestinians in the north and east and no prospect for their quick departure. Lebanese and Israeli negotiators gave one slight sign of progress; they began constringing to paper their points of accord. But they were still believed to be hung up over

Jerusalem's demands for political "normalization" and for security arrangements that would allow Israel to man five warning stations in the south. Lebanon seemed caught in a bind. It was under pressure from Saudi Arabia and other Arab countries not to yield to the Israelis. The Israelis, failing such concessions, were not willing to leave. And so long as the Israelis and the others stayed, the Saudis were not prepared to bankroll reconstruction.

Augmenting Israeli forces in the south was the private Christian army of Maj. Saad Haddad which took over the port of Sidon last week. Major Haddad said he wanted to help extend Lebanese authority but his close links with Israel and the fact that Sidon is

one of the proposed sites for a warning station suggested a form of pressure on Lebanon to yield to Israel.

First Strike On Adelman

President Reagan's strategy for filling the top spot at the Arms Control and Disarmament Agency was in danger of becoming another zero option last week. A recalcitrant Senate Foreign Relations Committee put off a vote on the nomination of Kenneth L. Adelman when it became apparent that the result would go against him. But the President stuck by him and prepared for a fight that one Republican supporter predicted

would be "a debilitating, demeaning experience for Ken."

Democrats on the committee circulated a May 1981 interview with Mr. Adelman, published in The Daily News shortly before he became deputy chief delegate to the United Nations. The article represented Mr. Adelman as dismissing arms control negotiations as a "sham" and a danger to the large-scale weapons buildup he favors. In something of a journalistic counterattack, The Wall Street Journal reprinted a long and more thoughtful critique of arms control policies by Mr. Adelman that it had published in 1978.

Mr. Reagan and Mr. Adelman repudiated the 1981 quotations. "He knows it isn't a sham, that we're on the level as anyone can be," the President said at his news conference. Ken Auletta, The Daily News interviewer, released an unused quote that has Mr. Adelman saying he would negotiate a "real" arms reduction if the Soviets were willing.

Mr. Reagan said he would make senators "see the light," adding, "If that fails, maybe I'll try to make them feel the heat."

But Senator Charles McC. Mathias, Republican of Maryland, insisted the 36-year-old nominee was "without experience, knowledge or competence in the field of arms control." The President, he said, was caught between "the right wing and the right thing."

Mr. Reagan easily won approval for another contested appointment. After an unusual closed-door debate, the Senate voted, 81 to 11, for Richard Burt as Assistant Secretary of State for European Affairs. Conservative Republicans contended that Mr. Burt, a former New York Times reporter, had endangered national security in an article he wrote in 1979 about satellite monitoring of Soviet missile tests. The Senate also confirmed Richard McCormack as Assistant Secretary of State for Economic and Business Affairs. Mr. McCormack, a former aide to Senator Jesse Helms, the conservative North Carolina Republican, had been blocked by senators angry at Mr. Helms's tactics against Mr. Burt.

Following the U.S., Europe awakens to toxic perils

3 Palestinian nationalism

4



Developing
the
solutions

Worldwide

With over 450 branches and offices of which over 70 are located overseas

New York	London	Geneva	Buenos Aires	Curaçao
Los Angeles	Paris	Frankfurt a/M	São Paulo	Bahamas
San Francisco	Marseille	Brussels	Santiago	Johannesburg
Miami	Strasbourg	Antwerp	Mexico City	Hong Kong
Chicago	Lyon	Montevideo	Panama City	Melbourne
Philadelphia	Nice	Punta del Este	Caracas	
Toronto	Zurich		Cayman Islands	

bank leumi le-israel בנק לאומי

The Nation

Signs of Spring, Notes of Caution In the Economy

President Reagan has always been quick to share encouraging news from the economic front. So, at the start of a news conference last week, he said that "the recovery is beginning to flex its muscles," thanks to his Administration's programs.

The effect of Reaganomics is debatable, but Government tabulations did continue to suggest that the worst was over. It was reported, among other things, that the number of workers filing their initial application for unemployment benefits had declined, that factory work was up for the first time in nearly a year, that new housing starts were up a spanking 35.9 percent from December.

"My conviction is that much of the stage has been set for long-lasting, non-inflationary expansion," Federal Reserve Board Chairman Paul A. Volcker said, testifying on Capitol Hill. But, like many private economists, Mr. Volcker wasn't sanguine about the jobless and interest rates. Unemployment would probably remain near 10 percent, he said, and if interest rates fell they would do so gradually. In view of the economy's delicate condition, Mr. Volcker said in announcing Federal Reserve money supply goals for the year that the central bank wouldn't go "overboard" — that is, wouldn't take drastic action that might temporarily bring down the cost of borrowing money but risk a fresh surge of inflation. (Some White House officials agreed that the Fed should stay its course. But Mr. Reagan declined to say if he'd reappoint Mr. Volcker when his term expires in August.)

Mr. Volcker also warned that whopping Federal deficits and the fears that Government borrowing will drive up interest rates would be an ever-present threat.

Because of the anticipated deficits, Robert Dole, the Kansas Republican who heads the Senate Finance Committee, suggested that a selective tax increase might be added to his panel's agenda.

Defense Budget: The Uncutables

As it did last year, the Defense Department told Congress last week that any cuts in its budget request would mean the elimination of badly needed weapons. And as they did last year, key legislators vowed to trim the request.

Defense Secretary Caspar W. Weinberger was greeted with skepticism on all sides when he told the House Budget Committee that a 1984 spending authorization of \$274.1 billion — 10 percent higher, after a 4 percent inflation allowance, than last year — was the minimum necessary to preserve security.

Representative James R. Jones, the Oklahoma Democrat who heads the panel, rebuked Mr. Weinberger for saying that Administration critics were undermining the country's defenses. Mr. Jones said he wanted to hold the increase to 5 percent, after inflation, for a saving of \$8 billion. Most committee members seemed inclined to go along.

Mr. Jones also asked Mr. Weinberger to suggest items on the Pentagon's shopping list the country could do without. When the Defense Secretary declined, Mr. Jones made an end run to the Joint Chiefs of Staff, asking their thoughts on a list of proposed cuts in President Reagan's five-year, \$1.6 trillion defense plan.

Mr. Reagan, meanwhile, was revamping some current arms spending projections. He said he would cancel about two-thirds of the planned production of cruise missiles — cutting in half the value of the Boeing Company's \$8.7 billion contract — and open the bidding for an advanced version of the weapon incorporating

"stealth" technology for avoiding radar detection.

The new missile was said to be necessary because of unexpectedly rapid advances in the Soviet Union's ability to detect and destroy the low-flying cruise missile. But Congress has the authority to overrule the decision, and a move to do so was launched by legislators from Washington, where Boeing has its headquarters.

Miami Officer Indicted in Killing

In a move that seemed likely to at least temporarily reduce tensions in Miami's black community but increase them among police officers, a grand jury last week indicted yet another patrolman in a fatal shooting of a black.

Luis Alvarez was the third officer — and the second of Hispanic background — charged with manslaughter in the past three months. A two-year veteran who was investigated five times in 1982 on complaints ranging from abusive treatment to neglect of duty, Mr. Alvarez was accused of shooting 21-year-old Nevell Johnson Jr. in a video arcade on Dec. 28. The incident, which police maintained was an accident, triggered two days of violence during which officers shot and killed another young black they said had been looting.

Leaders of black groups hailed the indictment, but Sgt. Walter Rodak, president of the Fraternal Order of Police, attributed it to political pressure. "We have to go back to McDuffie," he said, referring to the acquittal three years ago of a group of police officers charged with killing black businessman Arthur McDuffie. The verdict set off a riot that claimed 18 lives and caused \$100 million of damage. Officer Charles McEwan, president of the Miami Hispanic-American Police Officers Confederation, said "morale was low" among Hispanic officers.

Live-In Help For Auto Maker

What's good for Toyota may be even better for General Motors. Under an agreement signed last week, the two manufacturers are to begin turning out 200,000 small cars a year at a currently idle California plant in 1984. But direct profits from the deal may be the least that either party expects to gain.

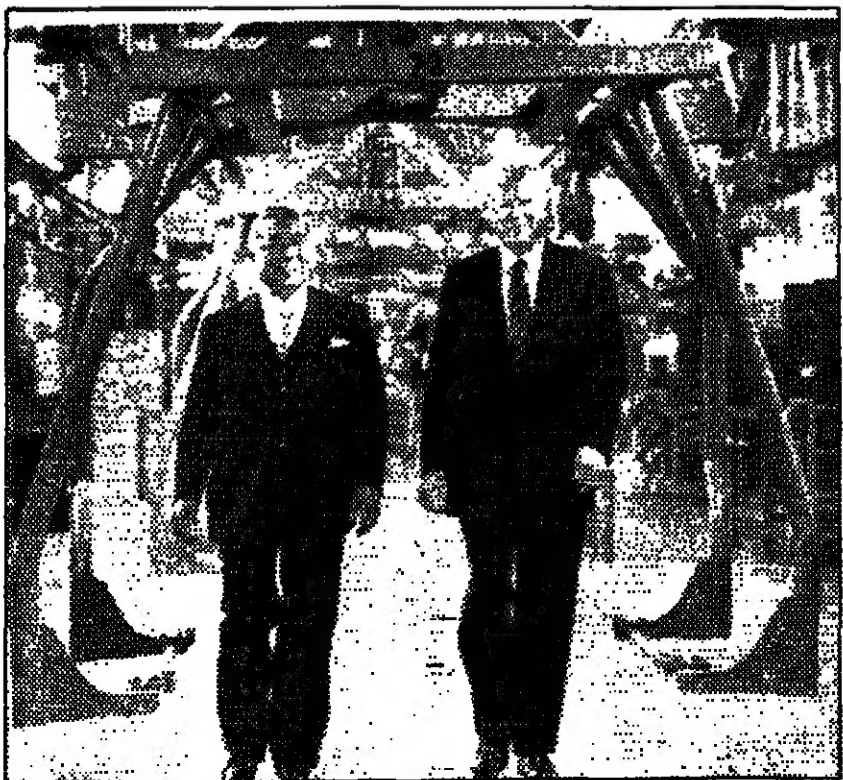
The partners are to sink about \$300 million into the joint venture, with Toyota putting up 88 percent of the cash. G.M.'s \$150 million contribution comes mostly in the form of its \$130 million plant in Fremont, Calif. The operation is expected to employ 3,000 workers and create 9,000 other jobs in each of the participating countries.

The deal gives Toyota a manufacturing toehold in the United States at a much smaller cost than its competitors, Nissan and Honda. Perhaps just as important, it is expected to relieve pressure on Toyota to create jobs in the United States.

G.M.'s benefits are also two-fold. It will get lessons from the Japanese — a Toyota executive will head the new company — in how they do what they do best. The plant will employ techniques that enable the Japanese to produce cars at prices up to \$2,000 less than their American counterparts. Then, too, it will get a new and presumably profitable subcompact product; G.M. currently loses \$900 on every Chevrolet it sells.

Chrysler Corporation didn't like anything about the arrangement. The United Automobile Workers may find fault as well. The union initially welcomed the prospect of "anything that results in the call-back of thousands of U.A.W. members." But the chairman of Toyota, Eiji Toyoda, said that not everybody hired would necessarily be a laid-off union member.

Carlisle C. Douglas,
Michael Wright
and Caroline Rand Herron



Eiji Toyoda and Roger B. Smith, chairmen of General Motors and Toyota Motor Corporation, touring the G.M. plant in Fremont, Calif. last week.

Charges of Cronyism, Confusion and Favoritism to Business

Forecast for E.P.A. Was Stormy From the Start

By PHILIP SHABECOFF

THE storm now breaking over the Environmental Protection Agency was clearly presaged, to anyone with a weather eye for political crises, by a series of lightning flashes that began almost simultaneously with the advent of the Reagan Administration.

The current uproar touched off by the President's dismissal of Rita M. Lavelle as the agency's assistant administrator in charge of its \$1.6 billion "Superfund" program to clean up abandoned hazardous waste sites involves charges of sweetheart deals to business, political manipulation of the law and mismanagement.

But environmentalists, public health officials, Democrats in Congress and other critics have maintained a drumbeat of similar accusations almost from the day Anne M. Gorsuch became administrator of the E.P.A. Allegations that the agency delayed for political reasons dealing with the Stringfellow Acid Pits waste dump in Riverside, Calif., or let companies responsible for a Seymour, Ind., waste site pay pennies on the dollar of the cost of cleanup are, to these critics, only manifestations of what they have been complaining about all along.

Their criticisms have embraced not only the toxic waste program, but all of the anti-pollution laws with which the agency has been entrusted, including the clean air and water statutes and the law to regulate new chemicals coming into the marketplace. They extended also to the budget and personnel policies of the agency and to the environmental policies of the Administration in general, particularly the land and resource policies of Interior Secretary James G. Watt.

To these critics, it appeared that the Reagan Administration, in its eagerness to ease the burden of government regulation imposed on industry, had embarked on a systematic reversal of decades of progress in the national effort to pro-

tect human health and natural resources from environmental degradation.

The problems of the E.P.A. are finally sounding political alarms in the White House because of a variety of factors. One is that the agency's management of the Superfund became the crux of a constitutional clash between the executive and legislative branches when the President refused to surrender documents dealing with cleanup enforcement sought by House investigators.

The refusal of Miss Lavelle to leave quietly when she was discharged provided an opening for the Democrat-controlled House, already at odds with the Administration over environmental policy, to respond vigorously to the battle flag waved by Mr. Reagan when he asserted executive privilege over the subpoenaed documents.

This time, the issue at stake was not some abstract discussion of the future of the wilderness or clean air. It was about toxic wastes, a threat to public health. It was an issue to which Americans were becoming increasingly sensitized, most recently by the dramatic revelations of widespread pollution by deadly dioxin in Missouri.

The Administration cannot claim to be surprised by the turmoil now surrounding the E.P.A. Last June the White House began keeping a close watch over the agency, requiring Mrs. Gorsuch to submit a written report to its political affairs office and cabinet office once a week.

At the time, White House officials said they were concerned about management and policy failings at the agency and the political consequences of those problems. But an E.P.A. aide said then that the difficulties arose from the Administration's demands for relaxed regulation and lower spending.

Charges of cronyism with business surfaced often and early. For example, a Congressional hearing disclosed that agency officials working on a policy to regulate formaldehyde as a possible carcinogen held meetings with representatives of the formaldehyde industry and the Chemical Manufacturers Association at which no environmentalists or public health scientists were present.

According to those who attended a meeting Mrs. Gorsuch held with representatives of a refining company, she told the businessmen they would not be prosecuted if they failed to comply with regulations limiting the amount of lead in gasoline.

Management confusion and special favors for business were found by critics in many agency decisions, including an aborted effort to lift a ban on placing toxic liquids in landfills. Enforcement cases referred to the Justice Department plummeted and confusion seemed to reign in the agency's enforcement division as enforcement chiefs were changed three times.

Mrs. Gorsuch's repeated contention that she was doing a more efficient job of carrying out the anti-pollution laws with fewer resources tended to be contradicted by reports from the field that E.P.A. agents were unable to cope with the volume of work. Mrs. Gorsuch and other agency officials asserted that they were making substantial progress.

Congress, including the Republican-controlled Senate, has resisted efforts to weaken clean air and water laws and shrink the E.P.A. Last week, several members of the House said they would sponsor legislation to make the agency an independent regulatory body, to free it from what they say is the kind of political pressure imposed by the Reagan Administration. After the current crisis, Mrs. Gorsuch, if she remains, and Mr. Watt at Interior probably will find it much more difficult to continue the basic changes they were making in the nation's approach to environmental protection.

Meanwhile, the question of who or what is responsible for the troubles at the E.P.A. remains open. Whether any evidence of wrongdoing emerges from the several Congressional investigations under way also remains to be seen. Observers recall that it was Mr. Reagan, in one of his first acts in office, who issued an Executive Order requiring that all Government rules be reviewed with an eye to lessening the regulatory burden on the private sector.



E.P.A. administrator Anne M. Gorsuch testifying before a Senate committee last week. Hugh B. Kaufman, an agency employee, who criticizes higher officials, tried to discredit her for criticizing toxic waste policies, delivering documents to the House.

Indiana's Quayle Seeks More Money for Jobs, Less for Defense

A Conservative Shows His Liberal Bent

By MARTIN TOLCHIN

SENATOR Dan Quayle is an unorthodox conservative. The youthful Indiana Republican, who says that Government can be "brutal and ruinous" has taken the lead in championing the cause of the structurally unemployed — those who have been eliminated from the job market by a lack of training or education. He says that Government has no alternative but to help provide jobs for minority-group members, women and youths.

He also has fought for First Amendment rights involving those who could endanger national security by revealing the identities of covert Government agents, sought reductions in military spending, and believes his party will stand or fall on the social "fairness" issue.

For five weeks last fall, Senator Quayle supported conservative Republican efforts to ban abortion and school busing, and legalize school prayer. He cast vote after vote to end a liberal filibuster of legislation containing those measures. But then he rose in the Senate chamber to say he was changing his vote. "It's time we got on with other things," the 38-year-old freshman told his colleagues. "Enough is enough."

The right wing viewed his reversal as a betrayal. His switchboard and mailbox were flooded with denunciations of his "pro-abortion, pro-busing" stand. "That's the way the far right plays it," Mr. Quayle said. "Some of their tactics are detestable."

The radical right may find further reason to denounce the lawmaker these days. He has sponsored legislation that would provide \$2 billion to help the approximately seven million structurally unemployed. The Administration rejected the proposal last week when Martin Feldstein, chairman of the President's Council of Economic Advisors, told the subcommittee on employment and productivity that Mr. Quayle's notion was "a far less useful way to spend Government funds" than the President's recommendation. The Senator, who heads that subcommittee, replied that the President's proposal to accelerate Federal construction and other public works would provide relatively costly jobs for skilled workers while ignoring the rest of the unemployed. "We want to look at the minorities, the women, the last-hired,



The New York Times/George Tanen
Senator Dan Quayle

first-fired aspect," Mr. Quayle said.

These were unexpected words from the rich, conservative grandson of the late Eugene Pulliam, the very conservative publisher of The Indianapolis Star. They certainly seemed to represent a departure from the record Mr. Quayle, himself a former newspaper publisher and editor, compiled in two terms in the House of Representatives.

Mr. Quayle unseated Democratic Senator Birch Bayh in 1980, using the slogan "A New Generation of Leadership." During his first two years in the Senate, his biggest problem seemed to be that he was regarded as a Robert Redford look-alike.

"I started off thinking, on God, I've got this pretty young thing on my committee and he hasn't a brain in his head," said a key aide to the Budget Committee, on which Mr. Quayle serves. "He's turned out to be a lot tougher, more thoughtful and

independent than I thought he would be."

Conservative Republican Senator Orrin Hatch, chairman of the Labor and Human Resources Committee, sees Mr. Quayle as a "very effective, hardworking guy who grabbed the unemployment issue and moved ahead with it." But a Democrat on the Budget committee said "I don't get the impression that he's a heavyweight yet."

The Senator's conservatism has doubtless been tempered by the economic plight of his state, where unemployment is higher than 12 percent. "If I were from a Sunbelt state, I might have a different outlook," he acknowledges. "The Federal Government has built the Sunbelt through dams and public works projects. Now it's our turn."

He insists that his political instincts remain conservative. But, he adds, "you accommodate to the times you find yourself in." And he thinks Republicans risk the voters' wrath if they don't "take the initiative and deal with unemployment."

Even before the jobs program, Mr. Quayle displayed some independence from both his party and the Administration. In his first year in the Senate, he supported the Administration's drastic cuts in Comprehensive Employment and Training Assistance programs. But he helped stage off cuts in youth job training programs, which received \$1 billion more than the President had asked.

The Senator also is a civil libertarian, especially protective of the First Amendment. Last year he sought unsuccessfully to narrow the criteria for prosecution under the Agents Identities Act, which penalizes those who publish the names of American secret agents.

"Conservatives are supposed to be for individual liberties," he said. They are also often expected to be hawkish on military spending issues. But Senator Quayle, a member of the Armed Services committee, has called for reductions in the President's proposed military spending. He says he has seen a marked decrease in public demand for military spending. "I was elected in 1980 by a strong defense constituency, and unfortunately it's not there today," he said.

Finally, Mr. Quayle believes that his party must show as much concern for those at the bottom of the ladder as for those at the top.

"The fairness issue is going to be the hidden issue in the 1984 elections," he said. "The Republicans were elected to reverse priorities. But if we don't do it fairly, we're not going to remain the governing party."

Heightened Concern and New Legislation, but Costs Hamper Enforcement

Following U.S., Europe Awakens To the Dangers of Toxic Wastes

The following article was written by Paul Lewis of The New York Times Paris bureau, based on his reporting and that of Times bureaus in Bonn, London and Rome.

TWO decades ago, boats that were supposed to be carrying harmless waste from the Shell Corporation's petrochemical refinery at Rotterdam dumped their cargo in a channel leading off the Yssel river here. The channel was filled in and 86 houses were built on the site. But the chemical wastes proved poisonous, a lethal combination of benzene, toluene and waste oils. So some 30 inhabitants of Gouda are being turned out, perhaps never to return, while engineers scoop the toxic material deep under their houses and replace it with fresh earth.

The cost of the operation, which is mainly borne by the national Government, will be substantial. The budget for excavating the poisonous chemicals is estimated at \$30 million. The bill for buying the houses will be about \$6.7 million. Another \$3 million is to be spent building new homes for those who want to stay in the area.

Gouda is the second Dutch village to be evacuated because it was built on a toxic waste dump. Three years ago the inhabitants of Lekkerkerk, about six miles to the south, complained of foul-tasting water, unpleasant odors and corroded sewer pipes. But although the Government bought their homes, the waste proved to be near the surface and the operation could be completed before the houses fell into serious disrepair. As a result of Lekkerkerk, however, the Government decided to make a list of all industrial waste dumping sites in Holland and clean up the dangerous ones. The mayor of Gouda duly reported that part of his village hid an old chemical dump, one of some 2,000 sites discovered in Holland.

The story of Lekkerkerk and Gouda illustrates how Western Europe, like America, is slowly waking up to the dangers created by the unregulated dumping of factory wastes.

The United States is pioneering the policies, "but Europe is starting to catch up," said James W. MacNeill, director of the Environment Directorate at the Paris-based Organization for Economic Cooperation and Development, which coordinates the anti-pollution measures taken by its 24 Western industrial member governments.

Although few other European governments have shown as much sensitivity to toxic wastes as Holland, awareness of the problem is increasing throughout the Continent thanks to scandals in virtually every country and to steady pressure from the environmental movement. As a result, there is a growing body of legislation intended to deal with the threat created by old dumping sites and to control the movement and disposal of newly created hazardous waste products in the future. But the cost of enforcing new regulations, fear of hurting industrial investment and sheer bureaucratic inefficiency are all hampering the process.

Europe's war on toxic waste is being fought on an international level. Treaties now govern the dumping of toxic material in the Baltic, the North Sea and the Mediterranean. An international commission is trying to clean up the Rhine. The Organization for Economic Cooperation and Development organizes seminars and prepares studies on problems of toxic waste disposal and is currently investigating the cross-frontier flow of such wastes. The Common Market Commission in Brussels is also encouraging its 10 member countries to act more strenuously against hazardous wastes.

Common Market

The 10 Common Market countries produce an estimated 20 million to 30 million tons of hazardous industrial waste material annually, out of a total industrial waste output of some 180 million tons, according to officials at the Brussels commission. Nearly 25 percent of this dangerous waste was transported across national frontiers each year for treatment in the other nine member states, according to the commission. As experts call it, it appears to be increasing rapidly. As a result, governments are trying to exercise greater control over international waste shipments, with the Common Market Commission pushing countries to standardize and tighten their regulations.

For unless all 10 members can come up with new and effective joint rules, there is widespread fear that individual governments will impose national restrictions on dangerous waste movements that could interfere with the Community's commitment to free trade. "This is one field where governments want us to act," said Benno Risch of the Commission's environmental staff.

EUROPE took its first step toward harmonized rules for hazardous industrial wastes in 1978, when the Common Market's ruling Council of Ministers agreed that all member states should introduce the so-called trip ticket system, based on the principle that the polluter pays. Their decision bound member governments to force toxic waste producers to attach a special certificate to every consignment at the time it is created. This trip ticket stays with the waste product throughout its existence, allowing the authorities to track its movement and insure that it is either treated or dumped in an approved site, always at the expense of the company that produced it.

The 1978 directive also requires member governments to license toxic waste producers, force them to keep a register of all the material they create and maintain records of where waste products are dumped. The directive applies to a list of 27 groups of dangerous substances, although Germany and Britain have made their own additions.

But five years after this directive was issued, France, Italy, Belgium and the Common Market's newly joined member, Greece, have still not complied, failing to introduce any kind of trip ticket system. Hazardous waste sent into these countries disappears off the Common Market's monitoring system and could be exported back into some other country, reclassified as harmless material.

Governments are thus being encouraged to take the law into their own hands. Germany has made bilateral



Government investigators testing the soil at the Lekkerkerk housing development in the Netherlands in 1980.

agreements with Belgium, France and Holland, for example, stipulating that they must only send it hazardous waste that they cannot dispose of or treat themselves. Since 1980 Belgium, Luxembourg and Holland have agreed to inform each other in advance of trans-frontier shipments and draw up an annual inventory of such shipments. The Commission is threatening to take France before the European Court of Justice in Luxembourg unless it starts implementing the 1978 directive.

West Germany

Experts generally credit West Germany with having the Common Market's most effective toxic waste control and disposal system. As a result it does a brisk business in storing or treating other countries' wastes and is the Common Market's biggest importer of waste material, even receiving consignments from the United States. "No other member country of the Community offers the same quality and quantity of proper toxic waste disposal opportunities as we do," said Dr. Bernd Wolbeck of the German Interior Ministry.

Germany's basic waste disposal law, which dates from 1972, is credited with closing down 50,000 unregulated dumping sites, while opening up 5,000 new, regulated ones. The law was updated in 1976 when special controls were instituted over toxic wastes. New factories must show the authorities they have made adequate arrangements to deal with hazardous wastes they will produce at the time they are built. A further tightening in Germany's toxic waste regulations is being considered, with the aim of making it more difficult for companies to escape the waste control system by defining waste products as commercial goods or by calling them materials destined for "recycling."

West Germany's waste dumps (often disused mines)



Toxic industrial chemical waste stored in a mine in West Germany.

and processing plants handle about 5 million tons annually. Another 1.5 million tons of highly toxic acids and chemicals are shipped to Antwerp for burning aboard special incinerator ships at sea.

RELATIONS between industry and the hazardous waste regulatory authorities are good, Dr. Wolbeck said, largely because the Government was careful to tie the introduction of regulations in 1972 and 1976 to the building of disposal and treatment centers, most of which are privately owned businesses.

But environmentalist groups do not share Dr. Wolbeck's view of the way toxic waste is dealt with in Germany. Helmut Ruschelsen of the German Nature Protection Agency, an umbrella organization for environmental groups with more than three million members, believes American laws are "better and more comprehensive." He says that Germany's definition of toxic waste excludes more than 40,000 chemical products on the market before 1972. Henning Friegle of the B.U.N.D. environmental group, which claims 70,000 members, said storage sites are filling up "but there is no more land available." He also noted that the Duisberg firm of Kupfer Hütte, which handles 90 percent of the recycling of heavy metal waste products, will soon be closed.

Britain

Like West Germany, Britain claims to have an effective and comprehensive regulatory system for the 5.5 million tons of dangerous waste its industry produces annually, but environmentalists charge that the Thatcher Government's tight-fistedness and its distrust of bureaucracy have resulted in poor enforcement.

Basic responsibility for waste disposal lies with Britain's 185 local Councils under an act of 1976, which required them to draw up a comprehensive waste disposal

plan and license special dumping sites. This was brought into line with Common Market rules by an act of 1980. With its varied terrain and numerous disused mines, Britain is considered rich in good disposal sites for dangerous wastes. But a select committee of the House of Lords, chaired by Lord Gregson, discovered in 1981 that only 12 local authorities had drawn up waste disposal plans. The panel found it difficult to get exact information about toxic waste production and dumping.

The committee refused to recommend a national waste disposal authority, since adding another layer to the existing bureaucracy is politically unacceptable to the present Government. But it called for the creation of a new hazardous waste inspectorate within the Department of the Environment to advise local authorities and insure "adequate and consistent standards of control throughout the country." The Government has just agreed to implement this recommendation.

The Transport and General Workers' Union is blocking the import of the herbicide 2,4,5-T, which is commonly contaminated with dioxin.

Italy

While in Holland, Germany and Britain central governments are giving serious attention to problems created by hazardous industrial waste, Italy has failed so far to address the subject at the national level.

As yet, Italy has no specific legislation dealing with wastes, and while a number of general anti-pollution laws should theoretically apply, Government officials admit that they are difficult to enforce. Moreover, Italy's regional authorities have primary control over the regulation of toxic materials. In practical terms, according to Mr. Risch of the Common Market Commission, this means that Italy's northern industrial provinces around Milan, where most heavy industry is located, are making some attempts to control the production, transport and disposal of dangerous substances, but elsewhere in the country there appears to be little credible regulation.

Italy has probably had more and bigger toxic material scandals than any other European country in recent years. The most famous was the explosion at a Seveso chemical plant in 1976, which sent a cloud of dioxin-contaminated material over the surrounding countryside and caused widespread animal deaths and the evacuation of more than 500 people. The Swiss owners of the factory agreed to pay compensation to the Lombardy regional authorities for the cleanup and also disposed of contaminated materials, reportedly by paying Hungary and Bulgaria to take them (although this has never been confirmed). But the promised trial of the company has still not begun, while reports continue to come in of human health problems in the region.

Belgium

Belgium introduced a waste disposal law in 1974 that formed the basis of the Common Market Commission's 1978 directive. But the country's linguistic division between French and Flemish speaking citizens and the administrative chaos this causes mean little attempt has been made to implement it, according to the Commission.

Scandinavia

In Scandinavia, the tendency is toward centralized treatment or storage of toxic wastes in special Government plants. In Norway, toxic waste is not considered a major problem because the country does not have the kind of industry that produces dangerous byproducts in significant quantities. But normally clean and well-organized Sweden experienced a bad hazardous waste incident in 1977 when a chemical company was found to have dumped some 70 dangerous substances around a plant in Sloane, in the south of the country. The plant was closed and the Government has spent more than \$8.8 million on the cleanup. As a result, the Government tightened up its environmental legislation, extending the statute of limitations for negligent waste disposers and widening the authorities' investigative powers. Hazardous waste must be handed over to the state-owned treatment and disposal company, which has a number of receiving stations around the country and two treatment plants, or to one of 20 licensed private processors.

But the trendsetter in Scandinavia is Denmark, which was the first country to introduce a centralized waste disposal system based on a plant that takes dangerous byproducts from all over the country for destruction, recycling or storage. The plant, in Nyborg, is known as Kommunekemi and can treat 180,000 tons of waste annually. Collection points have been set up and the Danish state railway provides special tank cars for waste shipment.

France

In the 1970's France devised an original policy, deciding that it would ban the dumping of hazardous wastes in mines or other approved sites and develop the technology for treating them to remove dangerous substances. However, this policy has now been abandoned and the Government has ordered each department or regional authority to start licensing approved dumping sites.

International Treaties for Seas and Rivers

A number of international treaties bind Europe's closely clustered states to eliminate or curb the dumping of toxic substances in the seas and rivers they share.

The most recent, the United Nations Regional Convention on the Mediterranean, was signed in 1979 by all countries bordering the sea, including Israel and several Arab states. It is a framework agreement committing these countries to work out more detailed pacts for cleaning up the badly polluted Mediterranean. So far four action protocols have been signed.

The first, already in force, establishes a "black list" of substances that may not be dumped in the sea from boats or aircraft, and a "gray list" of less hazardous wastes for which a special government dumping license is required. A more ambitious protocol, expected to come into force in 1984, seeks to control the discharge of dangerous wastes into the Mediterranean from the land. Cur-

rently 80 percent of Mediterranean pollution is believed to be "land-based."

A major uncertainty, however, is whether the Mediterranean's poorer coastal countries, which include Italy, Greece, Turkey and Tunisia, will be able to find the estimated \$10 billion to \$15 billion it will cost them to install the new sewage plants and filtering stations needed for an effective cleanup.

Other protocols commit parties to cooperate in dealing with oil spills and other ecological disasters and to create specially protected areas to help preserve fishing grounds and the natural marine environment. A series of treaties also restrict pollution of the North Sea and the Atlantic Ocean. These accords have been signed by all the coastal states, including Spain, Portugal, East Germany and Poland.

A common problem in all attempts to limit sea disposal of toxic substances is enforcement. British environ-

mentalists fear that a chronic shortage of government inspectors in Britain means disposal firms can easily get away with dumping forbidden substances. "Only one percent of waste dumped in the North Sea is inspected," said Brian Price of the Friends of the Earth.

Another hardy perennial is whether discharges into rivers and seas should be regulated according to the "quality objectives" method or the stricter "limit value" approach. The former, favored by Britain, relates permitted discharges to the perceived state of the water. The latter, favored by France, sets fixed limits on discharges which assume polluters use the most advanced technology available to limit or purify their discharges.

Under the Bern Convention of 1963, Germany, France, Holland, Switzerland and Luxembourg, the five countries through whose territory the Rhine runs, also committed themselves in general terms to cleaning up Europe's leading inland waterway.

F. I.

BROADWAY 80

Please place in litter-basket when you finish. Keep Israel tidy.



I'm glad I changed.

The World

Swift Currents, Muddy Waters Off Libya

Libya's Col. Muammar el-Qaddafi, who is under permanent suspicion in Washington of being up to no good, appeared last week to have justified such nasty expectations, causing considerable confusion in the process.

In an escalation of Libya's long-standing conflict with its neighbors, Egypt and the Sudan, Colonel Qaddafi was reported to be massing forces on the common border, including aircraft that would be in a position to bomb Khartoum, the capital of the Sudan.

Although the Libyans denied any unusual troops movement or martial intentions, United States intelligence reports spoke of a possible attempt to overthrow Sudanese President Gaafar al-Nimeiri. After consultation with Egypt, the United States dispatched four A-7s surveillance planes to Egypt to help keep watch over Libyan movements while the carrier Nimitz moved from Lebanese waters closer to Egypt and Libya, seemingly as a warning to the Libyans. The carrier's F-14's chased away two Libyan MIG-23's that ventured near.

At his news conference Wednesday, after other officials had linked the air and naval moves to tensions in the area, President Reagan said he knew of no naval movements and insisted the A-7s were in Egypt for regular exercises. Later, a senior White House official called the A-7s move a deterrent to Colonel Qaddafi while hawks expressed hope it would provoke an attack on the Sudan that would lead to the destruction of the Libyan air force by Egypt. As for the Nimitz, the senior official said its moves had no connection with the A-7s; some in the State Department found that "hard to believe."

After consulting the four parties, United Nations Secretary General Javier Perez de Cuellar said he was "reassured" that all wanted to decrease tensions in the area.

Turks Go Home Is Still the Cry

Spyros Kyprianou was re-elected President of two-thirds of Cyprus last week, and immediately renewed his efforts to claim the rest of it.

Ever since Turkey invaded Cyprus in 1974 to forestall a move to unite it with Greece, the Mediterranean island has been divided. The population of Turkish origin, 20 percent of the total of 850,000, set up its own state in



Spyros Kyprianou

the northern section in 1975. It refused to participate in last Sunday's election even though Cyprus's 1960 Constitution calls for a Turkish vice president. Mr. Kyprianou owed his victory and a new five-year term to support from the Communist Party but he was not expected to include it in his Government, a move that would probably make agreement with the Turks even more difficult.

After his election, Mr. Kyprianou urged the United States to use its influence to get Turkey to withdraw from Cyprus. Talks in the United Nations have gotten nowhere, he declared, but "Turkey has to listen to the United States" because it depends on it for economic survival.

Begin & Co. Tough It Out

Israeli Prime Minister Menachem Begin last week handed his critics another lesson in playing to win. Pulling together his often unruly coalition, he rode out the storm raised by a commission's finding that Israel was indirectly responsible for the massacre of Palestinians in Beirut.

The Government defeated a no-confidence challenge, 64 to 56. The result made early national elections less likely, assuaging the fears of Mr. Begin's coalition partners. American officials had been concerned that an

election might further delay peace-making in Lebanon.

Ariel Sharon, still adamantly rejecting the massacre commission findings, relinquished his post as Defense Minister but not his "absolute faith in the correctness of my course." The commission had held he should have anticipated a massacre when ordering Christian Phalangists into Palestinian refugee camps. Mr. Sharon was accorded full military honors as he left the Defense Ministry to become a Cabinet minister without portfolio. Although he may retain much of his influence with Mr. Begin, his formal powers were unclear. Last week, the steering committee for the Lebanon negotiations met without him, raising hopes that Israel might become more amenable to compromises there.

As expected, the Prime Minister gave Mr. Sharon's job at Defense to Moshe Arens, Israel's Ambassador in Washington. Mr. Arens is a hawk who opposed the peace treaty with Egypt, considering it overly generous. But the Ambassador, an aeronautical engineer educated in the United States, may contribute new sensitivity in dealings with Washington.

Shultz Derails Two-Track Policy

Salvadoran guerrillas continued last week to demonstrate their ability to operate in the field, but Secretary of State George P. Shultz refused to yield political ground to them. He ruled out negotiations that would allow them to "shoot their way" into the Government.

Whatever the eventual necessity for talks as the only way out of the military stalemate — a solution pressed by Mexico and Venezuela — Mr. Shultz's unusually tough Congressional testimony seemed designed to reassure a rightist Salvadoran Government unprepared to come to political terms with the leftists. It had been alarmed by recent reports that some officials in the State Department favored a "two-track" policy — stepping up efforts to negotiate simultaneously with military action. "No dice," Mr. Shultz said in accusing the rebels of "creating hell" with the help of Soviet arms shipped through Cuba and Nicaragua.

Hundreds of rebels isolated the northeastern town of Suchitoto, 27 miles from San Salvador, seizing an eight-mile stretch of the highway leading to it. Suchitoto is close to two hydroelectric dams that supply power to half the country and Government forces, once again reacting to a rebel initiative, rushed to free it. At the same time, the guerrilla radio rejected an appeal from the acting Archbishop of San Salvador, Arturo Rivera y Damas, for a cease-fire during the visit next month of Pope John Paul II. In the Archbishop's view, the cease-fire could lead to negotiations but the broadcast called this an attempt to bait "the people's advance toward victory."

Botha's Cards On the Table

South Africa's Prime Minister P. W. Botha last week offered to stop harassing his neighbors, if and when they show they tacitly accept his system of white rule and help insulate it from the "Communists" he says are bent on its destruction.

Mr. Botha, in an interview with Joseph Lelyveld of The New York Times, came close to confirming that his Government aids insurgencies against neighbors it believes are facilitating cross-border guerrilla attacks by the African National Congress. "We say two can play at this game. We say two can make war. But two can make peace." If the raids stop, he suggested, "then it won't be necessary to fight each other."

Tracing the battle lines in ideological rather than racial terms he said, "I'm an African and I believe Communism is bad for Africa." He seemed to suggest that Pretoria remained unwilling to accept free choice for an independent Namibia, relinquishing its rule over South-West Africa. He insisted that the South-West African People's Organization, recognized by the United Nations, is Communist and that it "cannot win a free and fair election."

Yesterday, South African forces, as though punctuating his remarks, killed 96 Swapo guerrillas who reportedly had infiltrated the northern part of South-West Africa, presumably from Angola.

As for his country's 23 million blacks, Mr. Botha foresaw a "possibility of an arrangement as to citizenship" but only through "a confederation of states." Power for blacks would thus apparently remain confined within the barren, tribal "homelands."

Mr. Botha is expected to become President under a new Constitution that provides some representation for mixed-race people called coloreds and Indian-origin South Africans, excluding blacks. Further important changes, he suggested, might have to await future generations.

Milt Freudenheim and Henry Gliniger

Palestinians and Israelis: Mutually Exclusive Ideas of Coexistence

P.L.O. Wins Mainly Consolation Prizes

By THOMAS L. FRIEDMAN

AN air of unreality hung over last week's deliberations of the Palestine National Council, an overriding sense that the Palestinians still had not adjusted to the events of last summer in Lebanon or found a relevant new strategy to guide them through their post-Beirut phase.

During the first four days of meetings at the Club des Pins conference center near Algiers, the 350 members of the Palestine Liberation Organization's parliament-in-exile were treated to a festival of bombast from delegations sent by friendly countries to sing the praises and save the wounds of the guerrilla organization. The Hungarian delegation gave P.L.O. chairman Yasir Arafat a bronze trophy. The Chinese brought him a little red book, and a group of West Bank Palestinians contributed a scarf in the colors of the Palestinian flag. The Syrian representative waxed eloquent about the "heroic" role played by Syrian troops in defending the Palestinian cause, omitting the fact that Syria had agreed to a cease-fire with Israel in the first week of the war, leaving the P.L.O. to fight alone. Everyone hailed the P.L.O.'s "steadfastness" in Beirut. The leader of Lebanon's Communist Party, George Hawi, accused Washington of instigating the Palestinian massacres as an excuse to send the marines back to Beirut.

To a certain degree the jamboree flavor of this 16th session of the council, which was called to map out future policy, was to be expected. The estimated 4,000 observers from countries friendly to the P.L.O., as well as many of the Palestinian delegates, came to demonstrate their solidarity. They came to see and touch the leadership that had survived Beirut. The morale boosting was

much appreciated by Mr. Arafat and his colleagues and apparently served as a reaffirmation of the P.L.O.'s claims to be "the sole legitimate representative of the Palestinian people."

It was as if the P.L.O. had actually won last summer. But it did not win, and it was not holding its council meeting 1,000 miles from Palestine by choice. Lacking in the speeches, both those of the visiting delegations and those of the Palestinian officials, was a hard look at the organization's present predicament — the dispersion of 11,000 demoralized fighters in eight Arab countries, the state of fear and poverty for many of the 500,000 Palestinians in Lebanon and the fact that the Israeli Government is stepping up its settlement activities in the West Bank.

"It's the same rhetoric and the same hyperbole one always hears," remarked M.T. Mehdi, an Arab-American observing the conference. "Perhaps they have moved a little bit to a more rational alternative, but not a single new idea will come out of this that will affect President Reagan's decisions on the Middle East. It will have no impact on the real world." The P.L.O.'s lingering preoccupation with the events of Beirut was shown in the only display in the lobby of the conference center — a series of gruesome blown-up photographs of Palestinian men, women and children who were maimed or bloodied during last summer's Israeli invasion.

A delegate from an American philanthropic organization remarked that "what they really should have set up here is a display of Israeli settlements on the West Bank." The problem with these gatherings, she said, "is that few of these people have any conception of what is happening on the ground inside Israel, and they don't feel any sense of urgency about it."

Although many council members do feel a sense of urgency about the loss of the land in the West Bank and the plight of the Palestinians in Leba-

non, most of their discussions on these issues have taken place in small groups outside the conference hall. But some members have noted a sense of realism in certain speeches. "There was a clear difference in the speeches of those who experienced Beirut and those who did not," Ibrahim Abu-Lughod, an American member, said. "The logic of those who were not in Beirut is unclear. But I can tell that those who were there are struggling with the problem of where to take the P.L.O. and are groping for a new strategy."

However, only Mr. Arafat seems to have a conception of the general direction in which the organization should be heading. The radicals have declared "a thousand no's" to American peace plans but have failed to outline any coherent alternative strategy for achieving Palestinian statehood. They have spent a good deal of energy trying to persuade the council to spurn the resolutions adopted at the Fez Arab summit and to reject even implicit recognition of Israel's right to exist within its pre-1967 boundaries, this at a time when Israel has already grown beyond them. This attitude threatens to seal off the P.L.O.'s diplomatic options as effectively as Israel, Syria, Jordan and Egypt have sealed off its military ones.

Judging from his actions and his private remarks, Mr. Arafat believes that the road to a Palestinian state now runs through Jordan, which is at the center of the Reagan peace initiative and possesses the largest single Palestinian community. Thus, when the Syrian observer delivered his speech, Mr. Arafat gave him only a stiff embrace. But when the Jordanian followed, the Palestinian leader wrapped him in a bear hug and held his arm up high in a demonstration of solidarity few in the hall missed. Mr. Arafat wants room to maneuver with Jordan and the Americans, to take advantage of whatever opportunities develop and to make certain that the P.L.O. is not blamed for scuttling the peace process.

P.L.O. leader Yasir Arafat in Algiers last week; in incidents last spring, Israeli troops arresting an Arab youth in the Gaza Strip for throwing rocks and Palestinians demonstrating in East Jerusalem.



Sygnis/Alain Kaler; Gamma-Liaison/Alain Mingan; United Press International

A Blind Spot Shows in the Jewish State

By DAVID K. SHIPLER

JERUSALEM — In all the soul-searching provoked by the war in Lebanon, the Beirut massacre and the state inquiry commission, the foundations of one Israeli attitude have gone relatively untouched. That is the national consensus on the illegitimacy of Palestinian nationalism.

This goes deeper than political opposition to the creation of a Palestinian state in the occupied West Bank and Gaza Strip. It stands at the center of Israel's concept of itself in the region, reflects the emotional content of Zionist ideology, and illuminates the rejection by most Israelis across most of the political spectrum of the notion that the Palestinians are also a people laden with a history and a dream.

There is a blind spot here that has not been removed by any of the pain and self-doubt that Israel has endured since it launched its war against the Palestine Liberation Organization in Lebanon last June. Even when innocent Palestinians somehow became more human — through their suffering in the war, their emergence as pariahs in the larger Arab society, their losses in the September massacre by Lebanese Christian Phalangists for which the inquiry commission held Israel "indirectly responsible" — their aspirations remained impossible for most Israelis to acknowledge.

"We cannot stand a symmetry of claims," said Meron Benvenisti, a former Deputy Mayor of Jerusalem and now a researcher on the West Bank and Gaza for the American Enterprise Institute. "Israelis have a profound feeling that once they accept the symmetry that the other side is also a legitimate national movement, then their own feeling about their own right and legitimacy will be dimmed. They do not conceive of the conflict as a national conflict."

In large measure, the war in Lebanon grew out

of a tendency to believe that the nationalist aspirations of the Palestinians were artificial, inflated by opportunistic Arab leaders and susceptible to puncturing by a fatal blow to the P.L.O.'s military organization. Ariel Sharon, the former Defense Minister, and Lieut. Gen. Rafael Eytan, the Chief of Staff, reasoned that the P.L.O.'s political capability would be damaged in the occupied territories, freeing masses of West Bank Palestinians to acquiesce to perpetual Israeli rule. The war, General Eytan told his troops during a visit to the front, had nothing to do with Lebanon; it was part of the struggle for "the Land of Israel" and a "once-in-a-generation opportunity to change conditions in our favor in the struggle."

Harassing the Palestinians

The conceptual background of the war was entirely consistent with the strategy governing Israel's tough occupation of the West Bank and Gaza, where Arab students have long been arrested for displaying the Palestinian flag or singing nationalist anthems, where scrawling the name "Palestine" on a wall is a political crime and where those who protest are often dealt with brutally. Last week, four Israeli soldiers were convicted of beating Palestinian youths arrested during riots last spring; their defense lawyers had argued that they were following orders from General Eytan that suggested "methods of harassment. Parents of rioting youngsters were to be punished or deported, headmen of disorderly villages were to be arrested, troublemakers were to be detained without trial, held as long as the law permits, released for a few days and rearrested."

It was in this frame of mind that Israel sent its army into Lebanon. Early in the war, officials spoke privately about putting the internal tensions of Lebanon to effective use, noting that the Phalangists, after years of bloody conflict with the Palestinians, were being considered for a major role in West Beirut, where the P.L.O. was

still ensconced. The Phalangists were ruthless, one official observed, and "they know everybody's address."

When the Israeli army entered West Beirut, it did something else that Mr. Benvenisti saw as revealing. It took all of the extensive archives on Palestinian culture and history from the P.L.O.'s Palestine Research Center. "This was not only to destroy them as a political or a military power," he said, "but also to take from them their history, to erase that because it is troublesome. This was a profound need or urge not to allow the Palestinians to be a respectable or historic movement."

"I don't accept that," countered Rabbi David Hartman, a philosopher who has spoken of the need for morality in public policy. "I really believe he's mistaken there. I would doubt my own sanity for giving legitimacy to someone who doesn't really recognize my legitimacy in this land. There is a deep feeling that why should I be morally responsible to someone who denies my own existence? If they can't say the Jewish people are indigenous to this land, then don't ask me to enter into a moral dialogue with them. If there is anyone who has denied my memory, my history, it's the whole Arab world that has refused to see me as organically part of this land."

The inability of the Palestinians to make an official statement of willingness to coexist with Israel, as demonstrated again last week at the Palestine National Council meeting in Algiers, undermines the prospect that Israelis will come to see the Palestinians as people.

"The process of dehumanization is a product of all such conflicts," Mr. Benvenisti said. "We are in a twilight war. There are no trenches and there's no front, so you have two levels of interaction, one adversarial level, the other neighborly. Who are they? It's very complicating, because if you are at war, you must dehumanize your enemy, because if not, then you are a murderer."

The Aging of Japan's Auto Industry

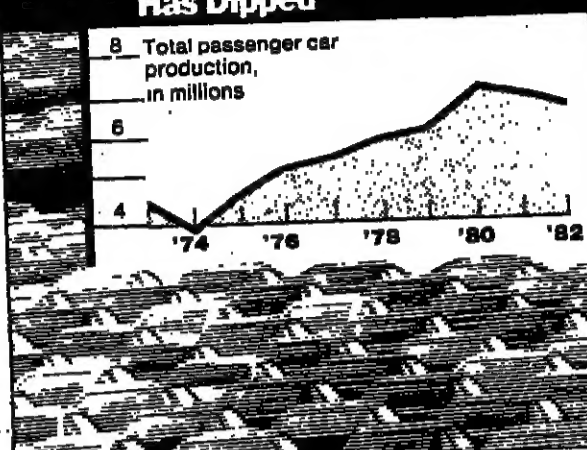
The Economy



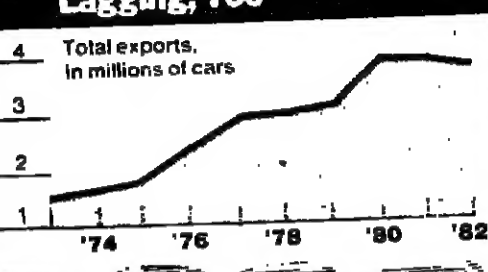
A Toyota plant, where fluorescent lighting is used for final inspection and paint drying

The New York Times/Robin Lawrence

Japan's Auto Output Has Dipped



Exports Are Lagging, Too



Source: Japan Automobile Manufacturers Association

For the first time in years, both production and exports are down. Japan thinks its best days are over — but Detroit isn't convinced.

By STEVE LOHR

NOT long ago, seated in a bar in Tokyo's Ginza District, a Japanese auto executive offered the kind of personal view of his industry that seems fairly common here these days. He made no mention of profits, projections or engine specifications or miles per gallon. Instead, he talked about his son, who was leaning toward a career in computers or electronics and was aiming to land a job with Hitachi, Fujitsu or Nippon Electric. "I don't blame him," the high-ranking businessman said. "I wouldn't join my company today or any auto company. I'm pessimistic about the future of the Japanese automobile industry."

That rather bleak view, from a man who entered the auto business in the mid-1950's, when things were so bad that the Japanese Prime Minister refused to be driven in domestic-made cars for fear they would break down, is shared by many others. "The days of high growth for the Japanese auto industry are over," said Takayuki Murakami, senior analyst for the Daiwa Securities Company. And Noritake Kobayashi, director of the Kelo Business School and board member of the Toyo Kogyo Company, openly voices discouragement over the industry's "diminishing competitive advantage."

The reasons for such dampened spirits are many, and were underscored last week when Japan said it would again limit auto exports to the United States and Toyota reluctantly agreed to manufacture cars in America with General Motors. Some cite export controls on shipments to a host of countries and the possibility of further protectionist steps; others, the apparent saturation of the domestic market, the prospect of sluggish economic growth worldwide, and the belief that foreign car makers, especially in the United States, are bound to become more competitive as they strive to improve their products, manufacturing techniques and labor relations.

Already, the toll taken by export curbs and the economic slowdown has become apparent. Last year, according to the Japan Automobile Manufacturers' Association, Japan's exports of motor vehicles fell 7.6 percent, the first significant year-to-year drop since 1954. Total production declined last year, too, after more than two decades of expansion. Efforts to offset lagging exports were also disappointing. The Japanese felt they could at least maintain profit growth by selling more expensive and technologically sophisticated models. But the value of the country's auto exports fell by a nearly identical amount — 7.4 percent.

Yet to say that the Japanese auto industry has matured is not to say that it is faltering or enfeebled. Its competitive edge, particularly in terms of cost of production, can diminish and still remain sizable. And the Japanese often tend to overestimate the threat posed by competitors and overstate their own problems. That is part of Japan's small-island-nation complex, which serves to steel its citizens and workers for greater sacrifice in the interest of the nation or the company, as the case may be.

The auto industry, more than any other, has been the symbol of Japan's economic ascent. It was in 1980, when for the first time Japanese auto makers outproduced their Detroit counterparts, that Americans started to take seriously Extra Vogel's notion of "Japan as No. 1," the title of the Harvard professor's book published the previous year.

But the Japanese auto business is now facing two big problems: limits on its exports to the United States and the risks of manufacturing cars abroad, particularly in America.

The Japanese Government's approval of export restraints, for a third consecutive year, was expected, and Toyota's decision to build cars with G.M. in California was almost inevitable, given the growing belief in the United States that if Japan's auto makers want to sell cars in America they should build them there. But the process leading up to the decisions, with Congressmen howling about Japan's penetration into most major American

markets, served to remind the Japanese of the political sensitivity of the issue.

Just how much the contraction of growth will hurt the Japanese auto makers is impossible to say. But Mr. Kobayashi of Kelo University points out that "the whole system of the Japanese auto industry was based on the assumption that production was always increasing. Some of the incentives for keeping the system working so hard for further improvements will not be there."

Workers, for example, are more likely to be cooperative when wages are rising sharply each year, gains made possible only by robust sales and profit growth. Also, it is easier for a company to press a supplier to make extra efforts to deliver parts on time and at a favorable price if he is promised this year's sacrifice will be rewarded by more business next year.

Furthermore, the slowing of growth in the 1980's is expected to be substantial, with yearly increases in unit sales falling to 2 or 3 percent from the double-digit levels of the 1970's. For 1983, Japanese auto companies are forecasting that, with a modest worldwide recovery, last year's export dip will reverse itself. They predict a 1 percent increase in auto exports this year and a 4.9 percent advance in total production, compared with a 4.9 percent production decline last year. Some analysts say, however, that such predictions are probably a bit optimistic, as corporate forecasts tend to be.

Roughly 40 percent of Japan's car exports go to the United States and a disproportionate share of industry profits come from America, since the prices Japanese auto makers can charge there are higher than in Japan, given the cost-of-production edge they enjoy over Detroit. Accordingly, the restraints on exports to the United States that began in 1981 forced the companies to look for ways to maintain and expand their high profits there.

With the numerical limits, the only course is to sell more expensive cars. Though cautiously, the Japanese companies are moving in that direction. A harbinger of the future may be the approach taken by the Mitsubishi

Motor Sales Company of America, which last fall began its limited entry into the American market on its own rather than selling cars to Chrysler. It is selling three models and not one of them is an "econobox," the small inexpensive sedans for which Japanese makers are best known.

"I think you will see more and more larger and more expensive Japanese cars in the American market," said Komakiichi Sugiyama, a senior executive for the Mitsubishi Motors Corporation. "By now, the image of Japanese cars as high-quality automobiles is well-established and will extend beyond small models."

While the Japanese auto industry bristles at restrictions on its exports to the United States, the American market is more open than that of most other industrialized nations. Last year, Japanese imports took 23 percent of the American market, while Britain limited Japanese imports to 11 percent of its market and France put its ceiling at 3 percent.

Thus growth in the Japanese automobile industry's most profitable markets, the advanced countries, will apparently be stopped for years, not for reasons of economic competitiveness but because of politics.

Indeed, the G.M.-Toyota announcement is, to be sure, an admission that the world's biggest car maker needs Toyota's help to efficiently produce a subcompact car. Toyota, Japan's largest auto company and No. 3 in the world, will design the small car. In addition, the engine and transmission for the new product will be supplied by Toyota, as will the chief executive.

So structured, the deal is testimony to Toyota's superiority in manufacturing efficiency. Its plant design, tooling, materials handling, inventory control and labor practices enable the Japanese company to produce and ship a small car to the United States for \$1,500 to \$2,000 less than American companies can make a comparable model, according to various studies. "I'm convinced that G.M.'s main reason for getting involved with Toyota on this joint venture is to see how Toyota runs a factory," said James C. Abegglen, vice president of the Boston Consulting Group in Tokyo.

For Toyota, the venture is the big manufacturing step into the American market that it has so long avoided. (In 1972, it established a manufacturing subsidiary in Long Beach, Calif., but it is small and limited to assembling truck beds.)

Toyota is renowned for its conservatism. Its Japanese production operations are clustered around Toyota City, an aptly named community 150 miles west of Tokyo. Analysts question the company's ability to maintain its manufacturing edge as it moves away from its secure enclave, where its workers live in company housing and suppliers are situated next to its factories.

Toyota's reluctance to start producing in the United States seems to indicate that the company has doubts about the portability of its manufacturing system as well.

Still, with a joint venture, Toyota has chosen the least costly and risky approach. The Nissan Motor Company and the Honda Motor Company have taken the more expensive and chancy course of setting up factories alone. Nissan, Japan's second largest auto maker, is investing \$660 million, by the most recent estimate, in its light-truck plant in Smyrna, Tenn., which will start up in August. For its part, Honda invested \$250 million in its small-car factory in Marysville, Ohio, which began operations last November.

The initial investment costs, while considerable, may be just the start. The extra expense of training workers, raising the efficiency and standards of suppliers and so on will also increase the costs of producing abroad, which may well erode the profitability of Japanese companies.

"We must tackle and solve these problems," Masataka Okuma, an executive vice president of Nissan, said recently. "From a broader perspective, we must overcome those difficulties to help Japan fulfill its responsibilities in the world."

In assuming those responsibilities — namely, insuring that the major employment and other economic benefits stay in the nations where Japanese products are sold — the automobile industry moved too slowly, some analysts say. In the 1970's, much of the growth of the industry was attributable to the rapid penetration of foreign markets by exports.

For example, from 1970 to 1980, Japanese total car production doubled, to 11 million units. Over the same period, its exports increased more than fivefold, to 6 million vehicles. In short, the Japanese industry in the 1970's reaped the high rewards of grabbing foreign markets through exports.

But in the current decade, faced with the threat of more harsh protectionist measures, those companies that hold a large share of the market in a nation will be forced to maintain or increase sales the more expensive way — via local production.

Toyota, Nissan and Honda are the big sellers to the American market. For the next four companies — Toyo Kogyo, Mitsubishi, Isuzu and Suzuki — most analysts agree that their sales in the United States are not large enough to justify production in America.

WEEK IN BUSINESS

For Fed Watchers, Yet Another Clue

Vintage Volcker. In last week's standing-room-only appearance before the Senate Banking Committee, Fed chairman Paul A. Volcker (right) took the oath again to encourage both recovery and lower inflation. Precisely how remains the question. But the chairman gave Fed watchers a new clue to future central bank behavior. They should keep one eye on the M's and the other eye on a new statistic: total borrowings by nonfinancial businesses, households and governments. The market's response to Mr. Volcker's recital: rates up, down, flat.

Flexing its muscles. That's how President Reagan characterized the economy during a news conference. Just weeks ago, the President only saw economic seeds beginning to sprout. Whatever the case, analysts are coming around to the idea that G.N.P. growth, fourth quarter 1982 to fourth quarter 1983, will reach 4 percent. And news from the Government — that housing starts were up 35.9 percent and factory output gained nine-tenths of 1 percent in January — seems to support the upbeat view.

Britain cut its oil prices \$3 a barrel, to \$30.50, a move that a splintered OPEC is expected to follow. Any drop in OPEC's largely symbolic \$34 price would certainly bolster the recovery — here and elsewhere. And it might not be so bad for OPEC either. Petro-



The Associated Press

leum Intelligence Weekly said that Kuwait, Algeria, Venezuela and Libya are less dependent on oil sales these days and are earning considerably more revenues than before from refined products, which are already selling at prices reflecting \$30 crude. Kuwait, for example, is shipping 500,000 barrels of refined products a day and only 140,000 barrels of crude.

General Motors and Toyota decided that the best way to solve each other's biggest problems was to band together.

er. They announced a \$300 million joint venture to manufacture subcompact cars at an idle G.M. plant in California. G.M., bedeviled by its inability to produce a cheap small car, will get Toyota engines and know-how to build a car that will replace its aging Chevettes. Toyota hopes the project will lessen the boots of a protectionist Congress. But the Japanese company may find, as did Volkswagen, that building cars at home can be more profitable than building them abroad. Still, Toyota is moving into the U.S. with an investment that is only a fraction of the hundreds of millions of dollars that both Nissan and Honda are spending for their American plants.

Japan also tried to ward off protectionists here by agreeing to limit, for the third consecutive year, car exports to the U.S. to 1.68 million units. That was good news for domestic auto makers, whose sales recovery sputtered in the first 10 days of February, when deliveries for the Big 3 fell 5.1 percent. A "mildly disappointing" performance, said an analyst, and one that sent Chrysler scurrying to set up a new sales incentive plan.

Also disappointed were bankers, who were blasted by Treasury Secretary Regan in Congressional testimony for keeping interest rates high to bolster earnings and protect themselves from problem loans. He sug-

gested the banking industry's strategy might hamper the economic upturn. Secretary of State Shultz was unfriendly, too, chastising the banks for cutting back too much on loans to third world nations, thereby undercutting their fragile recovery. If they are not careful, the banks could soon find the Fed in their lending offices: Mr. Volcker and other regulators are looking for ways to make sure that bank lending abroad does not turn volatile ever again.

Banker/politician Jake Butcher was probably the most stunned of all. He lost his bank — the United American Bank of Knoxville — after Tennessee regulators closed the doors and then reopened them as a unit of First Tennessee National. It was the fourth-largest commercial bank failure and came after "large and unusual" loan losses and questionable loans to insiders.

Bigger banks, and Saul Steinberg, were wounded by Flying Tiger, the recession-wracked air cargo carrier that suspended payments on half of its \$1.8 billion debt. Flying Tiger's rapid expansion into the door-to-door delivery business was discovered early on by Mr. Steinberg's Reliance Group, which is now its largest shareholder, with 23 percent and court permission to buy up to 35 percent.

The New York Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED FEBRUARY 18, 1983

(Consolidated)

Company	Sales	Last	Net Chng
IBM	5,225,900	98%	+ 2%
ATT	4,638,600	87%	- 1%
Mesa O	4,436,700	2%	-
Exxon	4,376,700	29%	- 1/4
Goody	3,810,100	30	+ 1
Beat Fd	3,371,700	24%	+ 2%
Wrt Cn	3,189,700	28%	- 2%
Citicorp	3,014,900	38%	+ 2%
Gulf Oil	3,005,700	33%	-
Sony Cp	2,995,100	13%	-
Celeron	2,582,500	32%	+ 1/2
Tex Util	2,568,400	23%	+ 1/2
Stor Tec	2,293,400	24%	+ 1%
Hou Ind	2,253,500	19%	- 1/2
Mobil	2,208,400	27%	-

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
1,097	856	2,161	410	8
1,380	615	2,158	406	9

VOLUME

Same Per. 1982	208,691,641	3,007,088,749	1,659,291,453
----------------	-------------	---------------	---------------

WEEK'S MARKET AVERAGES

High	Low	Last	Net Chng
------	-----	------	----------

New York Stock Exchange

Index	99.28	97.18	98.15	+0.17
Transp	79.90	78.55	79.09	-0.49
Util	45.97	45.49	45.77	-0.15
Finance	88.88	88.07	88.88	+2.95
Composite	86.20	84.61	85.44	+0.26

Standard & Poor's

MOST ACTIVE STOCKS

WEEK ENDED FEB. 18, 1983

(Consolidated)

40 Financial	17.5
500 Stocks	150.3

Dow Jones

30 Indust	1107.
20 Transp	485.
15 Util	125.
65 Comb	435.

The American

**MOST ACTIVE
WEEK END**

(Consolidated)
Company

DomeP

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
453	322	908	190	1
514	275	916	178	0

VOLUME

Same Per. 1982	17,116,885	306,917,805	150,793,741
----------------	------------	-------------	-------------

The New York Times

Founded in 1851

ADOLPH S. OCHS, Publisher 1896-1935
ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVILLE DRYFOOS, Publisher 1961-1963

ARTHUR OCHS SULZBERGER, Publisher
A.M. ROSENTHAL, Executive Editor
SEYMOUR TOWSE, Managing Editor
ARTHUR GELB, Deputy Managing Editor
JAMES L. GREENFIELD, Assistant Managing Editor
LOUIS SILVERSTEIN, Assistant Managing Editor
MAX FRANKEL, Editorial Page Editor
JACK ROSENTHAL, Deputy Editorial Page Editor
CHARLOTTE CURTIS, Associate Editor
TOM WICKER, Associate Editor
JOHN D. POMFRET, Exec. V.P., General Manager
LANCE R. PRIMIS, Sr. V.P., Advertising
J.A. RIGGS JR., Sr. V.P., Operations
HOWARD BISHOP, V.P., Employee Relations
RUSSELL T. LEWIS, V.P., Circulation
JOHN M. O'BRIEN, V.P., Controller
ELISE J. ROSS, V.P., Systems

The Wages of Zealotry

The President's firing of Rita Lavelle has thrown the Environmental Protection Agency into crisis. But the cause of the crisis goes far beyond the current turmoil. It dates to the decision two years ago to appoint James Watt Secretary of the Interior and Anne Gorsuch as head of the E.P.A.: Mr. Reagan thereby entrusted stewardship of the nation's environment to two people fundamentally opposed to the legal missions of their agencies.

Unable to get Congress to change the laws, they have pursued their ends by other means. Mrs. Gorsuch has undermined the E.P.A. by halving its budget when its responsibilities are doubling. She has induced many of its best professional staff to quit, and has sabotaged the agency's enforcement effort by continual reorganizations and cutbacks. She has scrimped on the science and monitoring that must underlie effective regulation.

Mr. Watt said recently he intended to "cannibalize" the National Park Service by transferring its officials elsewhere. While intimidating the professional staff at his department, he has tried repeatedly by administrative fiat, in defiance of Congress, to open wilderness to exploiters and to bar new additions to the wilderness system.

Mr. Watt and Mrs. Gorsuch are zealots, bent on hacking down environmental laws that seem to infringe on industrial activity. That is a far cry from how true conservatives might have changed government's environmental policy: by seeking to substitute economic incentives for direct regulation.

That is why conservatives, too, are alarmed by the Administration's management of environmental law and why many members of Congress have come to distrust every executive action. And that is why Mrs. Gorsuch's mismanagement has given Mr. Reagan such an intense, immediate problem.

Congress suspects that Rita Lavelle, the now

fired head of the Superfund program to clean up old toxic waste dumps, made sweetheart deals with polluters. Mr. Reagan asserts the E.P.A.'s "splendid record" over the last two years is being overlooked in the flurry of accusations. Even if these all prove false, the record is anything but splendid.

In the very first Superfund settlement, with the Inmont Corporation of Los Angeles, Mrs. Gorsuch's assistant, Thornton Field, undercut the E.P.A. by informing the company of the agency's bottom-line negotiating position. Though he admitted doing so to a House committee last April, he still works for the E.P.A., in its enforcement office.

Another of Mrs. Gorsuch's aides, James Sanderson, was nominated assistant administrator for policy but had to withdraw last June. The Justice Department, in a still pending inquiry, began looking into charges that he had continued to represent one of his law firm's clients, the Denver Water Board, after joining the agency.

Mrs. Gorsuch herself is no slouch at granting private favors. When representatives of the Thriftway company of New Mexico came seeking a waiver from the laws limiting lead in gasoline, she drew aside the Senate aide who escorted them, saying "that she couldn't tell the Thriftway representatives to break the law but she hoped that they got the message," the aide says in an affidavit.

Miss Lavelle's calendars, full of lunch dates with industry representatives, demonstrate how one-sided her interests have been. The E.P.A. under Mrs. Gorsuch has acquired the reputation of favoritism to anyone who finds environmental law an impediment. Nothing could so blacken industry's public image, or serve its interests less.

For two years, Mr. Reagan has let Mr. Watt and Mrs. Gorsuch erode and maneuver around the laws that protect the nation's air, water and wilderness. He has only himself to blame that the results are now being dumped at the White House gate.

Cheating Children

One way to gauge the social and economic health of a nation is by the physical health of its children. By that measure, the United States is pretty healthy: our infant mortality rate has been declining for two decades and now stands at 11.7 deaths per 1,000 births. But during 1981, eight states and 36 local areas — most of which also have increased unemployment rates — reported sharp increases.

In parts of Detroit, 33 of 1,000 children do not live to see their first birthdays; the same is true of children born in Honduras. In the Avalon Park section of Chicago, the rate is 55 per 1,000. In Baltimore and Pittsburgh, both of which have been affected by steel layoffs, the white infant death rate is up; in Houston, it's the black rate that's rising. In Alabama, which already has its 1982 figures, the infant mortality rate has gone from 12.9 to 14.8 — the highest in the country.

Nationally, about two-thirds of infant deaths are associated with low birth weight, strongly suggesting a relationship to parental poverty. The female-headed families that made up a large part of the poverty population have been joined by the "new poor" — people who lost their health coverage with their jobs and who have exhausted their unemployment benefits. But if the infant mortality rate continues to rise, it will also have to be ascribed to the spiritual poverty of an Administration that responds to a growing need for basic services by reducing them.

In Alabama, for instance, funding cuts for Title V (Maternal and Child Health Block Grants) have

resulted in the closing of six maternity-and-infant-care projects and affected 10,000 pregnant women. Staffing and pediatric follow-up programs for seriously ill and high-risk infants were reduced in several counties; several million dollars for children's hospitals were lost in Medicaid cuts.

In Michigan, which in 1981 reported its biggest increase in infant mortality since World War II, three maternity and infant care projects serving 6,000 women and 11,000 children have been closed, as were two family planning projects serving 58,500 women.

As Federal funding shrinks, the waiting lists lengthen for WIC, a program that provides baby formula, diet supplements and check-ups for poor pregnant and nursing women and small children. Newark has limited its program to high-risk pregnant women.

Given the fact that low birth weight can result not only in infant death but in physical disorders and mental retardation, the Administration position is not only mean but remarkably short-sighted. Getting a WIC recipient through her pregnancy costs \$450; getting a sick baby through a stint in a neonatal unit can cost the Government \$40,000.

It is strange that an Administration so eager to protect the fetus is so little concerned with protecting the baby. "Of all the dumb ways of saving money," says Jean Mayer, the president of Tufts and a distinguished nutritionist, "not feeding kids is the dumbest."

Topics

'Old No. 3'

The Supreme Court's softest-talking justice is speaking out. Justice Harry Blackmun is telling the world that the highest court is a tough, challenging place to be. The Court's nine justices, he testifies, are case-hardened lawyers yet also human beings whose work routine is hard on the judge and hard on the judge's family.

Yes, they're paid to be independent, but they can't escape the painful awareness that so many disagree so bitterly with some of their most significant rulings.

Justice Blackmun's talk, in The Times's Magazine today, is both discreet and revealing. Without betraying confidences, he gives a fascinating character study and glimpse of our highest court.

This basically conservative Midwesterner, strict constructionist and believer in judicial restraint describes his personal struggle to hold what he perceives as the Court's vital center.

To follow Harry Blackmun's career is to marvel at a jurist's ability to find his own niche in the law, to struggle free of political labels and personal ties, to demand justice for individuals even when the Court's main mission is to lay down the law for all the land.

As he admits, he still smarts from

Valued Voices

"Old No. 3," the taunt that he was President Nixon's third choice. The nation can be glad it worked out that way.

Mr. Moynihan's Nay

It took pluck and principle for Senator Moynihan to decide ("with sorrow but without regret") to stay away from the St. Patrick's Day parade.

Pat Moynihan says he won't march in a parade viewed by its grand marshal as a rally for the Provisional Irish Republican Army.

Michael Flannery, the grand marshal, heads a fund-raising committee that has been named as a conduit for the illegal I.R.A. Though acquitted of gun-running, he believes the cause of Irish unity sanctifies use of guns.

That's not the view of New York's most prominent Irish-American politician, who rejects without qualification the use of violence.

To apologists for the Provos, blood is thicker than anything, and never mind whose blood (the majority of the I.R.A.'s 1,200 victims are Irish). But a St. Pat's without a Daniel Patrick Moynihan will be sadly incomplete.

Mr. Flannery's selection by the Ancient Order of Hibernians is an embarrassment to Americans of every origin who want to salute Erin but revile saluting gunmen. The Hibernians

ought to think again about the grand marshal's peculiar view of celebrating Irish unity.

Frail Newspaper

The Amsterdam News has been in continuous weekly publication for 75 years, longer than any other American newspaper for blacks. With deficits rising, its run was threatened two weeks ago by a strike to protest a cut in the paid work week from five days to four.

Management says it then met a union demand to reduce staff instead, but the strike continues. Fights within management seem have diverted workers from the real danger to their future.

The Amsterdam News was rarely a placid place. It went into receivership in the 1930's but recovered to publish the work of many writers who later came to national attention. As recently as 1974 it sold nearly 100,000 copies a week, but now that circulation has fallen by half.

It's paradoxical that a long-lived weekly black journal should face extinction when America's interest in ethnicity is rising. Some loss of readership might be reversed by changes in editorial content. But unless everyone at the paper takes a hard look at economic reality, the newspaper could be lost. For that, New York would be the poorer.

Letters

In Defense of Liberty Against the Machine

To the Editor:

In his State of the Union Message, the President said we need more scientists and engineers. No one can quarrel with that. We also need more humanists.

The humanities and science, viewed as one indispensable whole, give worth and durability to a free society. In education, however, the trend is all in the direction of scientific studies. The computer is the reigning monarch in an age of information which progressively diminishes concern for humanistic studies. If the trend continues, our freedom may be threatened less by Communism than by computerism.

But how do we restore the mutuality of humanism and science? How do we defend liberty, not against the tyrant,

but against the machine? These questions cannot be answered unless we are prepared to believe that the poet, the artist, the teacher and the philosopher are just as essential to the defense of freedom as the nuclear physicist or the military strategist.

If we were to rely entirely on the scientists and the weapons they create, freedom would eventually become irrelevant. The means of defending freedom could end up destroying freedom. Where then do we find an antidote against such possibility? It is only by reviving the humanities that we can preserve our value-oriented heritage and those inner values of decency, courage and justice which are the matrix of a democratic society.

We need to develop an outlook that

sees the teaching of the liberal arts as a function of national defense. What is the purpose of defense, anyway. If it's not to preserve our value-oriented way of life? National security would be the better served by a renaissance of the humanities and their involvement in a public way with the issue of defense.

The Soviet leaders cannot tell their people what it is they are defending. We can, and that is our secret and most powerful weapon. Why not use it? We won both world wars not because of our military prowess but because of our inspirational values and the strength of our free economy.

It is essential, the more so in a war of ideologies, to inculcate in our younger people an understanding of the values of Western culture developed over the centuries by human genius and moral precept. Unless a nation is imbued with these values, no law, no constitution, not even the mightiest military establishment in the world can guarantee its freedom.

Hitler was able to seize power within the framework of the democratic Weimar Constitution because the German people had lost the habit of freedom. Having neglected what was left of their cultural inheritance, they soon saw their legal institutions leveled out of existence by the ruthless forward march of the Nazi revolution. This tragic piece of history should teach the whole free world a lesson: Liberty in a democracy can never be stronger than the enlightenment of its citizens. Let the lights go out, and liberty fades away, slowly and imperceptibly.

We ought to review our educational system with the aim of developing a policy that will broaden the contours of learning to embrace the humanities at all centers and levels of teaching. The humanities have always been the armature for freedom. I am not an educator, but universities, I would say, have a special obligation to underscore the historic nexus between value-oriented education and the durability of free institutions.

If America is to remain spiritually strong, it must recover the ground lost after World War II, when the cold war and the technological paroxysm that followed put our priorities out of joint. The task now is to set these priorities straight, and the way to do it is to create an awareness that both technology and the humanities are indispensable in terms of public policy and that both must flourish in the interest of democratic survival.

DEAN ALFANGE
New York, Feb. 2, 1983

Babies Without Right to Be a Surprise

To the Editor:

Your Feb. 8 editorial "Baby Sales" assumes that surrogate "motherhood" is here to stay. Perhaps you are correct. If, however, the semen donor pursues his suit for breach of contract, you could be mistaken in part.

A court might decide that contracts for hired wombs are "contrary to public policy." That judgment need not reach a finding of fact that the "mother" actually failed in her part of the bargain by not refraining from sexual intercourse for the time specified by the contract.

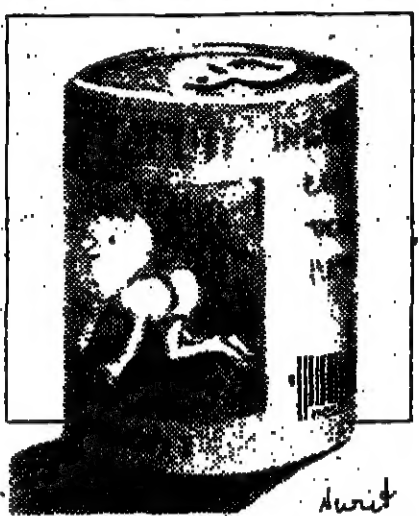
If declared contrary to public policy, such contracts could still be entered into, like restrictive housing covenants between owners and buyers some years ago, but they would not be legally enforceable. This was the most probable outcome not so long as 10 or 15 years ago.

Today, however, a judge may not muster the moral courage to rule against anything "pro-choice." Courts may not rule that payee and payer, contract lawyer and AID medical practitioner, are engaged in something contrary to public policy, or make so bold as to declare their contracts unenforceable.

Then, indeed, commercial surrogate "motherhood" will be here to stay, because it will be in accord with unstated public policy — an item to be calculated in the rate of inflation and our gross national product. At least I have heard no upsurge of moral outrage over the spectacle on the "Phil Donahue Show." Commercial baby-making quite fits a consumer society. So, as you say, we may only be able

to "regulate" a practice that has run ahead. Then another regulation. Then another. Till we stand at the entrance to the decanting rooms of Aldous Huxley's "East London Hatchery" [in "Brave New World"]. That, too, was here to stay, and perfectly regulated.

In technological paradise, retrograde characters will await someone



who believes a baby has a right to be a surprise and human procreation is not the same as technical production. Not even for money in a consumer society.

With wonderful irony, Huxley called his intruder from a world of poetry, and of joy without pharmacology, by the name of "savage."

PAUL RAMSEY
Princeton, N.J., Feb. 9, 1983

The writer is Harrington Spear Paine Professor of Religion, emeritus, at Princeton University.

Lebanon: If Israel Withdrew in Haste

To the Editor:

Your editorial recommendation [Jan. 26] to return Dr. Kissinger to the Middle East negotiations coincided with the 10th anniversary of the Paris peace agreement. Perhaps we can learn something from the coincidence.

The total failure and defeat that followed so soon after the Paris agreement was no doubt caused by the hasty withdrawal of U.S. troops from Vietnam, a withdrawal prompted by domestic political expediency. President Nixon was interested in a cosmetic agreement, the appearance of peace without regard to the predictable consequence: a vacuum that would attract all the hostile elements that had caused the war to begin with.

In Lebanon today, Dr. Kissinger would face the same predicament. Any pressure on Israel for hasty withdrawal from that country, so long torn by internal strife supported by its Arab neighbors, would predictably lead to bringing back all the forces of violence and terrorism which Israel, to everyone's relief, had helped to remove decisively.

The memory of the Vietnam debacle should teach us that long-range goals of peace are not served by appeasing the forces of violence and terrorism, nor by giving in to momentary political expediency. Our long-range interests in the Middle East coincide with those of Israel.

MANFRED R. LEHMANN
Nairobi, Kenya, Feb. 1, 1983

Typical Runners Need Not Fear Anorexia

To the Editor:

In your Feb. 9 issue, Dr. Nathan Man, you say that "marathon runners, an article in the New England Journal of Medicine reports, have a personality disorder similar to anorectic women." There are several aspects of this statement which are misleading.

For one, the article (which appeared in this week's N.E.J.M., "Running — An Analogue of Anorexia") is a phenomenological discussion of the results of "more than 60 marathon and trail runners." By nature of its sample size, one must be extremely cautious in drawing conclusions about several hundred thousand or more distance runners. Further validation would require a much larger sample size.

Secondly, and most important, a distinction was made between male distance runners in general and a subset of this population, the "obligatory runner."

It is in this subset that the personality disorder manifests itself. Distance running is merely one of the outlets for the expression of this pathology. There are, of course, many other outlets, e.g., ballet, gymnastics, tennis. To label all marathon runners anorectic would be erroneous.

It is probably true that all marathon runners do carefully monitor themselves, but only a small fraction let it take over their lives. For many it is a healthy and constructive outlet for stress, for dealing with anger, for

staying in shape, for private time. There are many motivations and reasons.

For some, though, the fine line between "normalcy" and severe psychopathology is crossed. It is in this subset of runners, the "obligatory runners," that there is a reasonable correlation between running and anorexia nervosa.

JOEL JACOWITZ, M.D.
New York, Feb. 6, 1983

The writer is a long-distance runner.

Sex and Responsibility

To the Editor:

It struck me as rather ironic that Miss X in "The Squeal Rule" [Op-Ed Feb. 11] regarded obtaining a driver's permit — "that most important of suburban rites of passage" — as a milestone in her life but did not think that having sex with her boyfriend, a very intimate human action, was even worthy of a conversation with her parents.

Elsewhere in her article, Miss X proclaims, "... I was old enough to have sex and wanted to take the responsibility that accompanies it," but she also reveals that she kept on having sex without any protection. This is taking responsibility?

There is no logic here at all, just the same Old Lust. Miss X and those like her want the Government to collaborate in their duplicity. I don't believe this is Government's role. As a parent, I sympathize with all uniformed parents.

CATHERINE KELLP
Secaucus, N.J., Feb. 11, 1983

Ready to Act in Case of a Persian Gulf Crisis

To the Editor:

"Sharing Defense of the Gulf," the Feb. 9 Op-Ed article by William O. Beeman, apparently misunderstands the character and purpose of U.S. Central Command, the new unified command for Southwest Asia.

The command, headquartered in Florida, is a straightforward, sensible approach toward managing existing U.S. military resources if there is a need to use them in the Persian Gulf area. No new forces are being built and no additional manpower is being recruited because of it.

The command is charged both with planning how rapidly deployable forces could be used and with the operational command of such forces if they are deployed to the Persian Gulf area. As the mobility programs that have been under way for the last two years come into effect, more forces in the current force structure will be assigned to the pool from which Central Command could draw in a crisis. But this does not

mean that these forces cannot be called upon by other unified commands for use in other regions.

And since nearly all forces assigned for planning purposes to the new command are stationed in the U.S., establishing the command does not mean that the current U.S. military presence in the Persian Gulf is about to expand dramatically. What it does mean is that, given a decision to use military force in the area, the United States can do so faster and more effectively because of the new command arrangement.

JAMES R. BLAKER
Deputy Assistant Secretary
of Defense (Policy Analysis)
Washington, Feb. 10, 1983

The New York Times Company
229 West 43d St., N.Y. 10036

Operating Groups

ARTHUR OCHS SULZBERGER, Chairman
SYDNEY GRUBSON, Vice Chairman
WALTER MATSON, President
DAVID L. GORMAN, Senior Vice President
BENJAMIN RANDELMAN, Senior Vice President
MICHAEL E. RYAN, Senior Vice President
GUY T. GARRETT, Vice President
SOLOMON B. WATSON IV, Secretary
DENISE K. FLETCHER, Treasurer

JOHN D. POMFRET, Senior Vice President
CHARLES B. BRANDELL, Vice President
WILLIAM H. DAVIS, Vice President
JOHN R. HARRISON, Vice President
WILLIAM T. KERR, Vice President

VIVIAN S. HAIG
New York, Feb. 12, 1983

ABROAD AT HOME

There's No There There

By Anthony Lewis

BOSTON, Feb. 19 — The United States is conducting a remarkable experiment in modern government. It is testing the effects on a great democracy of a vacuum at the center: of a Chief Executive who is scarcely informed on the substance of issues and shows no interest in being informed.

That is what underlies all the current buzz about Ronald Reagan's problems. The word in Washington is that the Reagan Administration is "in disarray." But it never was arrayed, except in the portentous imagination of the press. At the point of decision-making there was and is a President with a seven-minute attention span, a President interested not in reality but in appearance, in slogans.

Consider the two big flaps, domestic and foreign, in which the President is now involved: the mess at the Environmental Protection Agency and the choice of a director for the Arms Control and Disarmament Agency. There are ideological elements in each. But what is really striking in both episodes is how Mr. Reagan's unawareness of reality has damaged his own interest.

In filling the arms control job, the President had one paramount interest. That was to show that he is serious about reaching nuclear weapons agreements with the Soviet Union, to show a Congress that is rebelling on the nuclear issue, to show a worried American public, most of all to show our restive allies in Europe.

Just how concerned the allies are could not have been missed by anyone even marginally interested in the subject of arms control. European leaders had been signaling for months that they do not want to stand pat on Mr. Reagan's "zero option" proposal on theater nuclear weapons — the U.S. offer not to proceed with its planned deployment if the Soviets remove all of theirs.

Vice President Bush confirmed that on his European tour, bringing back the unsurprising word that our allies would welcome an "interim" agreement for fewer theater weapons on both sides. That goes even for Mr. Reagan's redoubtable friend Mrs. Thatcher. But it is a crucial subject for West Germany's Christian Democratic Chancellor, Helmut Kohl, who faces an election early next month.

All this called for Mr. Reagan to pick a reassuring senior figure as director of ACDA, someone who could symbolize seriousness on arms control. And what did Mr. Reagan do? He selected someone with all the gravitas of a puppy dog, Kenneth Adelman. And when Mr. Adelman had worried the normally supine Senate Foreign Relations Committee enough to arouse resistance to the nomination, Mr. Reagan said he would fight for Mr. Adelman on the beaches and in the hills.

The E.P.A. quagmire began with the refusal of its director, Anne Gorsuch, to give Congress documents on the toxic waste clean-up program. Perhaps at that stage there was an arguable claim of executive privilege, because pending cases were involved, although the Administration's attempt to short-cut the usual contempt process for determining such claims was a lame legal device.

But before long it was obvious that much more was involved than some abstract legal test of executive versus legislative power. The stink from Mrs. Gorsuch's agency became overwhelming. A President moved by informed self-interest would have seen (1) that this was a poor case to test executive privilege, and (2) that he should reassure people concerned about toxic dangers.

What did Mr. Reagan do? He told a press conference that he would "never invoke executive privilege to cover up wrongdoing" — then took back that seeming concession while lawyers actually negotiated an agreement. And he tied himself more closely to Mrs. Gorsuch by praising her "splendid record."

There is a sense in these episodes that Ronald Reagan is off in some dreamland, unconnected with what everyone else knows — including his own people. That image was confirmed in a Time Magazine cover story last December on "How Reagan Decides."

An adviser to the President said it was hard to get Mr. Reagan to concentrate on the specifics of a problem. "I have to prepare a script. Otherwise he will get me off the subject and turn what I have to say to mush. I have about six or seven minutes."

A former aide was quoted by Time as saying that, when Mr. Reagan considers a policy adjustment, "he will not go far into it because he is not really looking to make a decision. He is looking for lines to repeat when the time comes to sell. He thinks of himself not so much as the person who decides but rather as the person who markets."

A current subordinate said he doubted that the President had been in his principal advisers' offices more than two or three times. "He does not know in any specific way what most of us do or how we do it."

None of this seems to affect Mr. Reagan's political appeal. Indeed, a good part of that appeal may be the way he comes on as a bewildered ordinary guy, vulnerable, blundering at times but aw shucks. And of course the President has the added advantage of being sincere. He may be the only person in this country who believes that his E.P.A. has a "splendid record," but he says it with the true sincerity of ignorance.

Pols and Other Perpetrators

By Saul Bellow

The Sun-Times called him), he has not denied the Senator's story.

The Chicago newspapers, it must be said, give the Mayor and her pals a hard time. When she deposed George Dunne as chairman of the Cook County Democratic Party last year and replaced him with Vrdolyak, The Sun-Times mentioned that the alderman was supported by John D'Arco, "boss of the hoodlum-infested First Ward." The Tribune has referred to a government run by "a Bonnie and Clyde." Swibel has been appointed to the board of the library. "The city can hold its nose."

The fiercest of commentators is Mike Royko of The Sun-Times. Relentless Royko, an excellent journalist, speaks of the "all-new" Jane created

by image-makers imported from New York. Bonnie's Clydes had raised a \$9 million campaign fund for the Mayor. Madison Avenue cosmetics have given Jane a new look, a new deportment. "Gone are the goofy clothes," says Royko. "Gone is the hard-eyed look, the brassy manner... sometimes I'm not sure if I'm seeing Jane Byrne or the old Mrs. Miniver movie."

And what about the nine million bucks — an outrageous sum. The contractors, consultants and LaSalle Street moneybags who put up this dough will be looking for their quid pro quo after the election. "They'll be asking the traditional Chicago question, 'Where's mine?'" writes Royko. You can't blame Chicagoans for thinking such thoughts. Meantime, the hearts

of the media people are filled with joy by the demure new Jane. An erratic and stormy person, she kept the city quaking during her first administration. Appointees hired and fired without rhyme or reason whirled in and out of the revolving doors. She had trouble in the Police Department, the Fire Department, the schools, the Transit Authority, the Housing Authority. The Mayor's antics might be amusing to those outside of Chicago, said The Tribune, but it's hard here to find humor in them. On the contrary, many people are pleased by the Mayor's carrying on. She is a gifted actress and can look very fetching when she subdues her rage and listens with saintly patience to enemies she might like to hit with an ashtray. If we can't get good government, we settle, like most of the rest of the country, for entertainment.

"Chicago," said the late Paddy Bauller, one of our clowning aldermen, "ain't ready for reform." Well, perhaps it is ready but it doesn't expect to see any. Under Richard M. Daley, son of the late Mayor, it would probably get a more stable administration. He has his father's rock-like dependability. Old Daley, an old-fashioned patronage man, was no reformer. His achievement was to keep corruption from getting out of hand.

The third candidate in the primary, Congressman Harold Washington, is a man of wonderful charm, far more beguiling than his white rivals, but there is no flavor of reform about him, either. Thoughtful people are less concerned with the reform of Chicago than with its survival.

It is obviously survival that is the preoccupation of the sober editorialists of our two newspapers. They hint that the bad guys who enjoy the Mayor's confidence will pile up huge personal fortunes. Exactly how these bad guys operate nobody can really tell you. Secrets are tightly held. It was because Senator Stevenson "talked out of turn" that Eddie Vrdolyak was so furious with him. Insiders don't talk. So the papers will refer to an alderman as "a crony of crime-syndicate chieftains," but they are seldom able to give you hard information.

Editorial page editors have a duty to make readers feel what decent citizens should feel. A quaint convention.

Trying to learn what decent citizens actually do feel, I visit Timothy Sheehan, a Republican politician and bank president in a Northwest Side ward. Out here most of the voters own the houses they live in, he says. What do they want? They want the garbage collected, the streets paved, police protection, tree maintenance. They want no trouble. Jane gives them first-class service. They will vote for her. What decent citizens should feel is disgust and indignation. What they do feel is, "What good is indignation? It makes your blood thin. Stick to safe arrangements."

As we reminisce about politicians, I remind Mr. Sheehan of Big Bill Thompson's famous campaign rally at the Court Theater. The curtain when it rose showed us Mayor Thompson with two fierce stockyard rats in a cage. One of them he addressed as the Governor. "I think the other was the health commissioner," says Mr. Sheehan, laughing. "A terrific show he put on." Of course Chicago in the 20's though ugly, the city primeval, was very stable. Now it boasts a magnificent Mile and gorgeous skyscrapers, the Mayor can put her hands on \$9 million in campaign money, but the city really isn't in good shape.

More over, while the Revolutionary Guards, courts and committees are an integral part of the ruling structure, they act independently, exert considerable leverage over domestic, economic and foreign policy and have made orderly government difficult for a succession of cabinets. The pragmatists in the Government who now have Ayatollah Khomeini's ear fear that if the revolutionary organizations are not brought under control while Ayatollah Khomeini is alive, they will pitch the country into anarchy after his death.

But there are four reasons why the new policy is risky and why the whole enterprise may prove stillborn. First, Ayatollah Khomeini's proclamation aims at curbing the powers of the very organizations on which he has relied for crucial and unstinting support. For four years, the regime has governed through an unruly but highly effective network of Revolutionary Guards, committees and courts. It must now take the ax to the pillars of its own edifice.

Second, any serious attempt to set right old wrongs and punish past excesses is bound to point the finger at powerful figures, some closely identified with Ayatollah Khomeini himself. When middle-level prosecutors are dismissed, can leading revolutionary judges and prosecutors, who have sent hundreds of Iranians before the firing squads, not be held to account? Who will answer for the thousands of lives needlessly lost, the careers needlessly ruined?

Third, the proclamation represents a radical reversal of what, up to now, has been the prevailing ideology. The jolt is certain to strain the credibility of the regime. In his proclamation, for example, Ayatollah Khomeini described the violation of privacy and spying on people in their homes as a crime. Yet not long ago, he was urging schoolchildren to spy on their teachers, neighbors on neighbors.

Finally, there is the Ayatollah Khomeini himself. In recent months, a more pragmatic group in the ruling coalition appears to have gained the upper hand with the Ayatollah. This is evident, for example, in the area of economic policy, where radical measures for the seizure of agricultural and urban property have been blocked, or watered down. Ayatollah Khomeini has supported the Guardianship Council, a conservative body that rules on the constitutionality and Islamic legality of the laws. But in the past, and with good reason, he has balked at every initiative to bring the revolutionary organizations to heel.

The Ayatollah's support is critical to those who would curb these organizations now. Past experience suggests that it is a toss-up whether they will receive it.



'Thoughtful people are less concerned with the reform of Chicago than with its survival'



The New Khomeini

By Shaul Bakhash

himself made a dozen speeches over the last five weeks stressing the need to end revolutionary excesses. Committees have been formed to look into the activities of the revolutionary courts and hear citizens' complaints. Some revolutionary prosecutors, including the prosecutor of Qom, Ayatollah Khomeini's own city, have been dismissed.

The causes for this new concern for legality are not far to seek. They stem from practical considerations rather than any concern for individual rights. The coalition of fundamentalists and radicals in the Islamic Republic Party has consolidated its control of the revolution — but at fearful cost.

Support for the regime among the middle classes and even the urban masses has dissipated. The turnout in the recent elections for the Assembly of Experts, which will elect Ayatollah Khomeini's successor, was embarrassingly low. Insecurity and political apathy are widespread. The civil service is crippled because purge committees continue to expel competent persons to make room for new aspirants to office.

The tide of educated Iranians leaving the country, often by crossing the border at great risk into Turkey and Pakistan, has not ebbed. Business confidence is low, and there is growing recognition inside the Government that nationalization and expropriation of private enterprises notwith-

standing, the Government cannot by itself bring about economic recovery. The regime is not insensitive to criticism of its human rights record by organizations such as Amnesty International, whose latest report on Iran records the reprehensible treatment of detainees in the country's prisons.

Moreover, while the Revolutionary Guards, courts and committees are an integral part of the ruling structure, they act independently, exert considerable leverage over domestic, economic and foreign policy and have made orderly government difficult for a succession of cabinets. The pragmatists in the Government who now have Ayatollah Khomeini's ear fear that if the revolutionary organizations are not brought under control while Ayatollah Khomeini is alive, they will pitch the country into anarchy after his death.

But there are four reasons why the new policy is risky and why the whole enterprise may prove stillborn.

First, Ayatollah Khomeini's proclamation aims at curbing the powers of the very organizations on which he has relied for crucial and unstinting support. For four years, the regime has governed through an unruly but highly effective network of Revolutionary Guards, committees and courts. It must now take the ax to the pillars of its own edifice.

Second, any serious attempt to set

WASHINGTON

Reagan In 1984?

By James Reston

WASHINGTON, Feb. 19 — The most popular game in the capital of the United States these days is "Will He or Won't He?" run for a second term in the White House. It's popular because it takes everybody's mind off more important problems. You don't have to think much about it, and couldn't do anything about it if you did, and the best player in this political game is the President himself.

He loves it. He may not be a great President, but he's a great Performer. He told the Conservative Political Action Conference here the other day "our clean-up crew will need more than two years to deal with the mess left by others over a half-century." Some "crew," some "mess"! But what did he mean?

This was taken by his conservative audience and others as an indication that he intended to run again for a second term, but he didn't say "I need 'more than two years' to clean up the 'mess.' He just tossed it off as usual of his hand, and left them to guess what, if anything, he meant.

The chances are that he didn't mean anything except to hold his party together, and make them wonder, from right to left, what he will do, and keep them in line while he waits to see how his economic and foreign policy work in the next six months. Nobody can blame him for that.

The objective of the Republican Party, including the extreme conservatives, who regret his recent pragmatic compromises with the Democrats, is to retain control of the White House for the next six years. This is, and always has been, the main purpose of political parties: to hold executive power for themselves, and deny it to the other party.

So Mr. Reagan's friends are telling him that their main hope of getting rid of the "Democratic mess" is not to leave it to a divided Republican Party, but to command the conflict by running again himself.

No matter how much Mr. Reagan may long for home or retirement, they insist, he must go on for another four years. Otherwise, the Republican Party will be split between its moderate candidates — Vice President Bush, Senate majority leader Baker, Senator Dole of Kansas — and the conservative candidates like Jack Kemp of New York, opening up the White House to the Democrats.

President Reagan is being told by his friends that he is in precisely the position President Eisenhower found himself after his heart attack and his illness operation in 1956, when Ike wanted to go home but was persuaded that, if he did, everything he had fought for would be lost, and the Democrats would take over. Eisenhower stood for a second term and won, and the argument of the Republican establishment here now is that Mr. Reagan should do the same.

It's a persuasive partisan argument, and no doubt President Reagan thinks about it and talks it over with his wife in the quiet of the night, and discusses what they want to do with the rest of their lives. Nobody ever knows how people decide the conflicts between private and public responsibilities.

Mr. Reagan is already the oldest President in the history of the Republic. He is now 72. He would be 74 a few days after inauguration, if he was elected in 1984, and 78 at the end of his second term. These are considerations he and others have to take into account now, when he is trying to make up his mind whether to assume the responsibilities of the Presidency until the end of the 1980's.

There is an odd thing about this critical period while Mr. Reagan is trying to make up his mind. What he decides will obviously determine the strategy of both political parties in the election of 1984. But the people who want him to run again are being increasingly loud in their arguments, and the people who think his running again is a bum idea, are being very quiet.

Oddly, what is not being discussed much is what would be best for the nation. There are some good candidates coming up out of both parties. Baker of Tennessee, Dole of Kansas, Mondale of Minnesota, Glenn of Ohio, Hart of Colorado, Askew of Florida, Bumpers of Arkansas — these are of the rising generation, and though not very well known, they are at least equal if not better than the people now in charge in Washington.

The problem in the next few years is to concentrate on the young men who are coming rather than the old men who are going. Mr. Reagan has performed a valiant service to the country. He has challenged the assumptions of the Democrats and the welfare state, which was useful, but he has imposed his own ideology of his old age, which has not been very successful.

Do we really want to go on with these old men — the Reagans, the Tip O'Neills, the Cranstons — and the old conflicts between the parties, the regions, the races, management and labor — or do we want to look to younger men who see the possibilities of a different world in terms of cooperation rather than confrontation?

If this is a reasonable question, the argument about whether Mr. Reagan will or won't run seems almost irrelevant. He's the nicest guy who has come down this pike for a long time, but as an old sports reporter, he must know that government, like a football team, has to draft and make room for the coming generation.

Ettore Scola's Historic Backdrop

By HENRY KAMM

ROME In "A Special Day," the 1977 film that brought him international recognition, the Italian director Ettore Scola placed the tender and fleeting mutual recognition — perhaps love — between a worn-out and exploited wife of a domineering Fascist and a homosexual equally victimized by Mussolini's brutal regime against the background of a major event in history.

The day was May 6, 1938, when Hitler was received by Mussolini in Rome disguised for the occasion as the reborn capital of a Roman Empire. In an apartment house emptied of its inhabitants because all right-thinking Romans were on the street to provide a chorus for the dictators, the two who had been pushed to the margin of their society found the time and place for the one encounter that led them to express their suppressed selves and for the first time recognize themselves in the compassionate mirror of another.

In his latest film, "La Nuit de Varennes," which just opened in New York, Mr. Scola has again set the self-revelation of his main characters against a great historic backdrop. The event takes place on June 20, 1791 and is the flight of Louis XVI and Marie-Antoinette from the Tuileries in Paris toward friendly armies in Metz and the royal couple's interception and capture in the small town of Varennes, from where they were returned for eventual execution.

But in the new film, the principal characters who reveal themselves and shed light on eternal existential problems are neither banal nor fictitious. They are Casanova (Marcello Mastroianni), Thomas Paine (Harvey Keitel) and Restif de la Bretonne (Jean-Louis Barrault), the French novelist and chronicler of his time. In the scenario that Mr. Scola wrote with Sergio Amidei, whose recent death ended a long period of fruitful collaboration, these three, as well as a handful of fictional but sharply limned others, travel in a stagecoach along the same route as the fleeing royal couple, discoursing upon the revolution and the new world dawning and encountering the forces that engulf them all.

"Historically it is really true that the three persons that I put in the same carriage were connected to the French Revolution," said the director, uncomfortable with a fever and influenza, in a conversation in his producer's office. "Tom Paine directly, personally; Restif in writing 'Paris Nights,' writing day after day, night after night, and Casanova also in writing about the revolution. Moreover, Casanova knew, if not personally, the



In Ettore Scola's "La Nuit de Varennes," Marcello Mastroianni is cast as the aging Casanova, one of a group of travelers in transit by coach through the countryside during a crucial episode in the French Revolution.

books of Restif. He speaks of them in his 'Memoirs.' And Restif speaks in his about Casanova, so there is at least an intellectual acquaintance, which I did no more than to make material.

"In those days, in 1791, Casanova had fled from the Castle of Dux, in Bohemia, where his friend Count Waldstein gave him refuge in retirement, and was in Paris. Therefore," Mr. Scola said, referring to his film's concatenation of events and people, "it was altogether probable — it is enough for me that it is probable and not removed from historical likelihood. There is truth in the sentiments, truth in the reasoning of my characters."

What Mr. Scola's characters reason about is the central theme of the film — the nature of political power. Speaking of it in a recent book about Italian directors published in France by Aldo Tassone, an Italian critic, Mr. Scola said:

"There are historical moments where a power comes to its end... the old world totters, and one thinks that all is changing. But soon one discovers that there are other powers, which remained in the shadows until then, which take the place of the 'ancien regime', and the 'new world' of which so many dreams were dreamed is put back 'until the next edition.' The film will be a satirical chronicle."

This disabused view of the beneficial effects of revolution is surprising

in a man who is a registered member of the Communist Party. But even in noting this fact in response to a question on his politics Mr. Scola did so casually, not in the terms and tones of a man announcing a credo.

"I am a Communist, enrolled in the Communist Party," he said. "This does not mean that it directs my ideas. It enters into forming my convictions, yes; my ideas enter into forming my sentiments, yes. But you mustn't forget that for some years already, Italian Communism has changed very much and for that is not loved in the Soviet Union. The Soviet Communists prefer to have relations with Italian socialists rather than Communists."

The director noted that in his 1979 movie "The Terrace," in which five disillusioned middle-aged men who have spent their lives working in the cultural field meet and converse about their unfulfilled ideals, his satirical view also reflects on the communists among them. "There were communist intellectuals on that terrace with their faults — they have their faults like every one else — and their ridiculous sides," he said. "Some comrades were not satisfied because they recognized themselves. But no one thought of telling me, 'Oh no, you shouldn't have done this.'"

The tenets of Mr. Scola's communism clearly do not include the adulation of "the masses," which is such a standby of classical communist art. The revolutionary masses that stop the royal pair's flight in Varennes do not frighten only the aristocrats in Mr. Scola's stagecoach but appear objectively frightening to the viewer. Yet the director said he did not intend his portrayal of the revolutionary peasants to be frightening.

"There is nothing to fear from these people, I think," he reflected. "They only threaten the Countess [played by Hanna Schygulla]. They do nothing to her; they only want to touch her, to mock her."

But Mr. Scola conceded readily that he did not depict the masses heroically. "In my opinion, one mustn't be tender with events," he continued. "One must, even if the events are unpleasant, present them as they were and see whether they were just or not."

The director said that the film should make it clear that he considers

the French Revolution as a great "human conquest."

He emphasized, as his portrayal of a revolutionary agitator makes clear, that he had no heroic view of the leaders of the masses, either. "But it is the role of the people that is important," he said. "It is the people who stop the king's flight. It was not the leaders of the Revolution. It was not a plan from on high to arrest the king but a popular sentiment. The people knew instinctively that if the king escaped, all the conquests of the Revolution would be lost."

Mr. Scola admitted readily to sympathy for his two principal characters, whose distaste for the Revolution is made as evident as their cynicism over the *ancien regime*. His compassion for Casanova is great.

"Casanova was not especially tender with the Revolution in his writings," he mused, "not because he was a conservative or a reactionary, but there was in him perhaps a biological melancholia. He dreamed of his youth, he dreamed of his successes, of everything he had when he was young. And now he must flee, he knows a new world is stirring, he knows he will not be able to participate."

Asked whether like Milton, writing about Satan in "Paradise Lost," he had perhaps discovered that his greatest sympathy lay with the villains of the *ancien regime*, he replied that at his age — he was born in 1931 — a more balanced and measured view of persons comes naturally.

"I think in the second half of our lives it is normal to draw up a balance sheet," he reflected, "even without reaching Casanova's conclusion, that is, not to like the present, not to like the new, but a feeling of a bit of detachment from facts and events."

Mr. Scola, a man who volunteers little detail of his personal life as opposed to his ready articulateness about his work, was born at Treviso, in the Naples region, and was brought to the capital at age 4. Pursuing a normal school career, which went as far as the beginnings of law studies at the University of Rome, he displayed a talent for drawing, particularly caricatures. These drew him, when only 16 years old, to satirical weekly cartoon magazines, which were the rage in Italy in the immediate postwar period.

London's Theater Shares Many of Broadway's Woes

By BENEDICT NIGHTINGALE

LONDON American playgoers, lately accustomed to one doleful bulletin after another emanating from Broadway, are sometimes inclined to regard the London theater as a sort of bustling gymnasium for the hale and hearty: cheap seats, an abundance of fine work, smiling managers whose only problem is whether to cast Gielgud or Olivier in the new Stoppard, Ayckbourn or Simon Gray.

That is not, however, the view of London theater in London itself. On the contrary, usually resilient impresarios are admitting to feeling distinctly glum these days as they peer out of their eyries in Shaftesbury Avenue and into the year ahead.

Here a vital distinction must be made. For Britain's two main subsidized companies, things look more bullish than for some time. Both are to receive larger grants than they dared hope from the Government-sponsored Arts Council during the coming financial year: \$9.9 million for the National Theater, \$5.5 million for the Royal Shakespeare Company. The R.S.C., which has also been given \$1.3 million to help clear its debts, has announced that it will be staging no fewer than 30 productions in London and Stratford during 1983, a company record; and the National expects to present some 16 new ones in its home on the South Bank of the Thames.

No, it is the commercial sector of the British theater which is feeling the cold as rarely before. One symptom is the seven theaters that have recently been on the market. Another is that 11 of the 37 West End theaters are currently dark. For every "hot" ticket — a category that would presently include "Cats," "The Pirates of Penzance," Tom Stoppard's "The Real Thing," Michael Frayn's "Noises Off" and to a lesser extent "Evita" — there are others that are proving perilously hard to sell.

Oddly, some of the most successful managers manage to sound as bleak as anyone. "I'm usually like Mr. Micawber, expecting something to turn up," says Michael Codron, producer of both "Noises Off" and "The Real

Thing," "but this year I am really worried." Michael White, who brought Joseph Papp's production of "The Pirates of Penzance" to Drury Lane, agrees. "I think there'll always be a place for a 'Barnum,' an 'Evita' or a 'Cats,'" he says, "but I am very pessimistic about the prospect for a new work of merit. We're already getting more like Broadway, moving toward a situation where there'll only be a couple of serious plays a year in the West End."

Such gloom may at first glance seem surprising. For one thing, theater attendance in 1982 was 5 percent greater than in 1981, in spite of the

For every 'hot' ticket, there are others perilously hard to sell.

competition of a warmer-than-usual summer and the Falklands war, which kept people glued to their television screens, and the increase is apparently being sustained in 1983.

For another, London is unlikely to lose any theaters in the near future, even those which are persistently dark or up for sale, since it is far better protected against marauders than Broadway. The most recent attempt to turn a playhouse into an office block occurred two years ago, and it was thwarted by the nation's planning restrictions, even though the intended victim, the tiny Fortune, was perhaps the most vulnerable of all West End theaters.

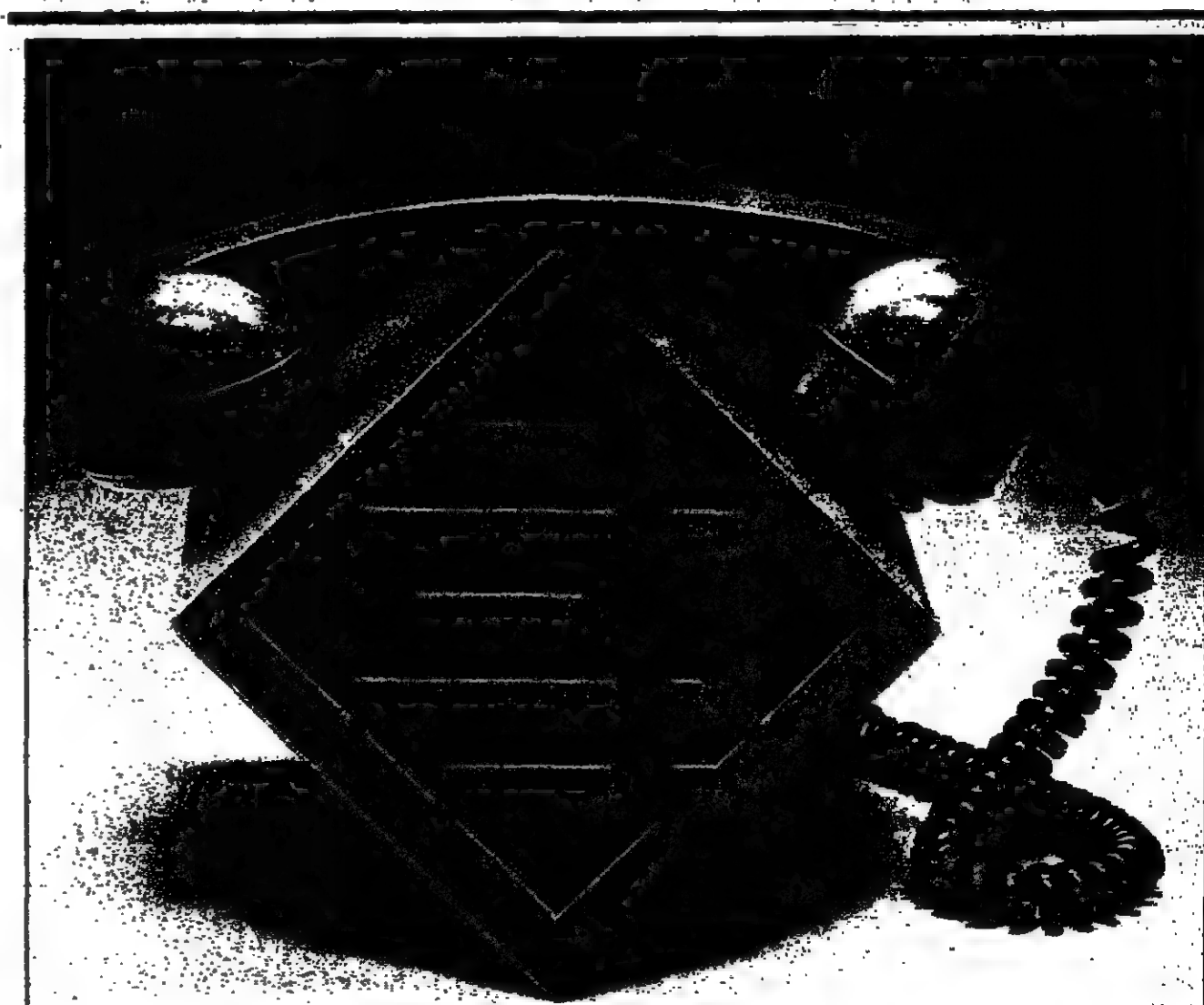
Almost every other theater is either designated a building of historic or architectural importance, and hence virtually untouchable; or it is in a "conservation area," where substantial change may not occur; or it is in the London borough of Westminster, whose City Plan recently proclaimed that as many theaters as possible

should be preserved and that, in the unlikely event of one being demolished, a replacement should be included somewhere in the redevelopment. In many cases, it is all of these things.

Moreover, Parliament recently gave its imprimatur to a theatrical equivalent of the National Trust, which looks after many British stately homes. Neither in nor out of London is it possible to tamper with any playhouse except after consultation with the Theaters Trust, as it is called.

Yet, what is the merit of preserving theaters if no plays can be found to put in them? What is the long-term use of increasing audiences if there is little or nothing for them to see? Everyone seems to agree that the most worrying problem at present is, simply, lack of product, though not everyone agrees about its precise cause. Vincent Burke, honorary chairman of the Theaters Trust, says that raising money has become a "phenomenal difficulty," especially for new or unproved producers. The British recession continues. The Government no longer allows investors to offset their losses against income tax. Shows have become more expensive to stage — \$155,000 for a straight play like "The Real Thing," nearer \$1.2 million for "The Pirates of Penzance" — and audiences are more choosy. Under the circumstances, why gamble your hard-earned loot on something all too likely to fail at the first or second fence?

Nevertheless, "Evita" reportedly pays a little over \$200 a month to anyone lucky enough to have invested \$1,500 in it in 1977; and obviously attractive properties can still find plenty of backers, at any rate when a tried and reliable producer is in control. Mr. Codron and Mr. White, both of whom fall into that category, see the problem more in terms of finding plays worth financing in the first place. The former is probably more successful than any other commercial producer in this respect, since he can still rely on the stable of playwrights he built up in better times, among them Mr. Stoppard, Mr. Frayn, Mr. Gray and Alan Bennett; but even he is finding it almost impossible to add to their number. Indeed, he hasn't presented a play by an untried author since Brian Thompson's "Tishoo" failed to make much of an impression on critics and audiences back in 1979.



However you pronounce our name, we're the Bank to talk to.

As we've grown from Israel's major bank into one of the world's leading banks, more and more businessmen are learning to pronounce our name. They've discovered what Bank Hapoalim's full range of banking services can do for their corporate financing, trade flow and international transactions. They've learned how over \$19 billion in assets can support their growth plans. And they're finding, in 360 banking offices in 14 countries worldwide, specialists they can really talk to. Over 60 years experience is integrated into our customized approach to banking. That's why we're the bank that grants more loans than any other bank in Israel. And why we're among the world's top 50 banks in profitability.

And that's something to talk about.



Bank Hapoalim The bank to talk to.

Head Office: 50 Rothschild Blvd., 65124 Tel Aviv, Israel. Tel: (03)628111

New York • Los Angeles • Chicago • Philadelphia • Boston • Miami • Toronto • Montreal • London • Manchester • Paris • Zurich • Luxembourg • Buenos Aires • Sao Paulo • Caracas • Mexico City • Montevideo • Punta del Este • Panama City • Cayman Islands

And over 330 branches of the group in Israel

(Continued from page 1)

exchange every Friday, a school holiday. Some youngsters have no formal education; others have graduated from one of Cairo's universities but can't find jobs as academics either in the Strip, the Arab world or in Israel.

None of them seems to have specific professional skills; only low-level work experience in fields such as construction, agriculture, street-cleaning, dish-washing.

Except for a high-school senior earning money to put himself through college, all say they are supporting families which include either aging parents and numerous siblings, or first and second wives plus numerous children.

NONE OF THESE job-seekers possesses one of the work permits that the Labour Ministry requires of residents of the administered territories employed in Israel. Nor are they paid through the ministry's payments division as if they were legal, which guarantees fair wages and social benefits. Those gathered around the campfire in Jaffa represent the majority of the Gaza Strip's 8,000 hard-core illegal labourers: men who work by the hour or by the day, their names and identity card numbers unknown to the income tax and National Insurance authorities.

There are several reasons these Gazans avoid all contact with officialdom. A significant number, it is believed, equate registration at the Labour Ministry with recognition of, and cooperation with, the Zionist state. A smaller segment fears that the ministry will share its employment lists with UNRWA and other welfare agencies, thus jeopardizing their eligibility for handouts.

Most acknowledge that in the unstable Middle East, they are more concerned about the present than the future. They prefer to take home a lot of money daily than to be burdened with income tax and

'Slave market' in Jaffa



Worker from Gaza registers at the unofficial labour exchange in Jaffa.

deductions which may lead to such social-welfare benefits as an old-age pension in an unpredictable future. The Catch-22 of the system is that

even if a Gazan day-labourer wanted to work through the Labour Ministry infrastructure, he couldn't. Permits are only available to those

steadily employed, not to independents or free-lancers. There is no way that the Gazan who frequents the "Slave Market" can secure for

himself such benefits as vacation pay, sick pay, child allowance or health insurance.

Paradoxically, because the work

permit law is so rarely enforced by Israel, most of the Gazans gathered around the Jaffa campfire think of themselves less as "illegal" than as "unregulated" workers. Even the ministry's word for them is not "illegal" but "unorganized."

The result is that, unlike California's Chicanos, the Gazans do not flee at sight of the law. In fact, they willingly show identity cards to the two Hagan men who regularly patrol the area, and sign their register — proof, as it were, of their whereabouts in case of a terrorist incident. And they say that they are careful to wait for those who employ them illegally in an area specifically designated as an illegal labour exchange by the police. They are not afraid to give their names and addresses to a reporter, or to have their photographs taken.

AT ABOUT 6:30 the potential Israeli employers — Jews, Moslems and Christians — begin to arrive. First there is a green Volvo. The Jewish driver is offering IS 400 for a day's work unloading containers. The going minimum wage at the Jaffa exchange is IS 100 higher, so there aren't many takers. Although the IS 400 represents cash in hand at the end of the day, expenses must be taken into account: the round-trip to Gaza runs from IS 60 to IS 100, depending on type of vehicle and day of the week. Another IS 50 must be allowed for food. And then there is the common but incorrect belief that because the Gazan day-labourer does not work through legal channels, he is uninsured if injured at work and unprotected by the courts from unscrupulous employers.

Raising the ante even higher are possible medical expenses (those who aren't paid through the ministry are not entitled to free care at the Strip's equivalent of Kupat Holim) and UNRWA. On September 1, 1982, the UN agency stopped issuing food rations to all but hard-core welfare cases in Israel, Jordan, Syria and Egypt. Before this change in policy, the

200,000 Gazans with valid refugee cards could each count on a dole every two months of 10 kilos of flour, 1.2 kilos of sugar, 750 grams of oil and 1 kilo of rice.

A grey tender, driven by a contractor's assistant who speaks Arabic with an Iraqi accent, arrives to pick up the same six construction workers he employed the day before. A Jaffa Arab drives up in a white Volkswagen bus. A crowd rushes to hear what he has to offer and then to wrangle for a seat. Those on the sidelines speak with nostalgia of the job that once lasted two weeks, or two months, or two years.

Most of the labour exchange regulars come daily to Jaffa, or to another of the official-unofficial locales, but they find work only two or three times a week. If someone offers what might be a spell of steady work, they'll take it — even if it means earning less per day and having to spend the night illegally in a factory bomb-shelter or an abandoned shack. Unless issued a special permit by the ministry, residents of the administered territories must be on their side of the border every night between 1 a.m. and 5 a.m.

Those who find work in Jaffa this morning will return home tonight with shekels in their pockets, most of it "black money" earned in cash by their Israeli bosses who never declared it to the Treasury. Of course, the Gazan day-labourer won't declare his earnings either.

The loss that this Israeli-Gazan collusion represents to the Finance Ministry, which regularly passes it on to the honest taxpayer, is staggering. A Labour Ministry source estimates that the 6,000 Gazans who support themselves through short-term jobs found at the Slave Market are costing the country approximately IS 200m. a year in lost revenue.

(This is the second in a series of articles that will be appearing this week.)

Jews of the Far East

JEWISH SCENE/Geoffrey Wigoder

Hebrew booklet, *Jewish Communities in the Far East*, by the well-known Jerusalem writer on Asian Jewry, Reuven Kashani. He visited all the existing communities and brings back an up-to-date report on their current situation, he also presents their history, stretching back into myths, and general background. The Jews in the Far East maintain constant struggle to keep their Jewish identity, as indeed do all small communities, only there it is compounded by the great isolation. There is an inevitable seepage, as the younger generation tends to leave for the U.S., Australia, Israel and other destinations.

Some of the communities receive temporary strengthening from Israeli Jewish servicemen, diplomats or businessmen. Another factor, reported by Kashani, in the negligible, sometimes non-existent rate of intermarriage.

Kashani has collected a wealth of historical lore in his interesting reports. Hotels, for example, of a rabbi who served in Singapore in the 1960s. The head of his community, an 80-year-old man with grandchildren and great-grandchildren, asked this rabbi to

perform a marriage ceremony between himself and an 18-year-old, although his wife was still living.

When the rabbi refused, maintaining that polygamy was forbidden to Jews, according to the decision of the medieval Rabbis, the potential groom contended that this law was binding only on Ashkenazim — and fired the rabbi.

The rabbi was making arrangements to leave when, fortuitously for him, the old man died, and the rabbi was restored to his post, with the support of the grateful widow.

Today the rabbi's successor, Rabbi Yitzhak Benzaquen, officiates in the synagogue and claims that there is no assimilation among Singapore's 450 Jews, a high degree of kashrut observance and an intense Jewish communal life, including a youth club, Talmud Torah, library, philanthropic organizations, etc. A small community which had existed in Penang in Malaysia has now disappeared.

THREE HUNDRED Jews live in the Philippines, the only Christian country in the Far East. The pre-World War II synagogue in Manila was destroyed in the fighting after

the Japanese had converted it into an ammunition warehouse. After the war, it was rebuilt with the help of Jewish GPs stationed on the island; the problem today is that the Jews have moved away from that area and it is difficult for those who do not ride on Sabbaths or festivals to attend. Plans are now being made to build a new synagogue.

Before World War II, some 3,000 Jews lived in Burma. They fled to India when the Japanese invaded, and only a few hundred returned. After the country achieved independence, the attitude towards all non-Burmans was unfriendly, and many Jews left. Today, fewer than 100 Jews remain, of whom a half are Bene Israel from India.

Hong Kong Jewry, originally a Sephardi community, is today almost equally divided between Sephardi and Ashkenazi Jews. About 250 Jews are officially registered with the community, but it is thought that there are several hundred more who, for various reasons, remain unregistered. Here Kashani reports a certain amount of intermarriage with the younger generation marrying into Korean and Chinese families. Jewish families there try to send their

children to study in the U.S. in the hope that they will find Jewish wives while finishing their education.

Before World War II, 2,000 Jews lived in Indonesia. Japanese occupation brought them suffering and the post-war exodus intensified as independence approached in 1949. Fewer than 100 now live there. On the other hand, the community in Thailand has increased since the war. In the 1950s, only a dozen Jewish families lived in the country, but the growth of the American presence has increased the Jewish population, which today numbers 300-350. Since 1966, there has been a community centre, with a synagogue. There is no rabbi, but Jewish American army chaplains perform rabbinical functions when needed.

Japan's 700 Jews constitute the largest community in the Far East. They work largely in import-export and in the professions. The community leaders claim that in the very rare cases where a Jew marries a Japanese, the latter converts to Judaism. Most of the Jews in Japan are of Ashkenazi origin; they are not Japanese citizens, as Japan makes it very difficult for anyone coming from outside to obtain Japanese citizenship. The small Tokyo community has an active centre, which includes a kosher restaurant (with meat imported from the U.S., as in most of these Far East communities) and a mikve.

All in all, the story of most of Far East Jewry is little more than a century old. One wonders if they can survive another century.

JAZZ

THE BEST IN JAZZ

THE BEST IN JAZZ

WINTER 83

ISRAEL YACOBOWITZ QUINTET

AMERICA THE MIKE CARSON TRIO and VOCAUST SHELBY FUNT

EUROPE THE CLORNEY ORCHESTRA

TEL AVIV, Mann Auditorium, Monday, Feb. 21

8:30 p.m.

Jerusalem, Hayman Ha'ana, Tuesday, Feb. 22

8:30 p.m.

ELAT, Elat Cinema, Wednesday, Feb. 23

8:30 p.m.

HAIFA, Auditorium, Thursday, Feb. 24

8:30 p.m.

TICKETS: Tel Aviv — Hadassah (main distributor) 50 The Gabbai, and other agencies • Jerusalem —

Kli'at, 4 Shalom, and other agencies • Haifa — Nove-Hager, 33-34 Herzl, and other agencies • Elat —

Musicality, works committees, and the cinema, on the evening of the performance.

15% discount if you pay by Discount Bank cheque; special service for credit card holders (at Hadassah only).

ISRAEL DISCOUNT BANK

in support of Art and Culture.

WELCOME

Delegates To the
14th International Convention of the

WORLD COUNCIL OF SYNAGOGUES

Jerusalem, February 21-28, 1983

United Synagogue Israel Tour Department.

Issam and Histour

FIBI, First Int'l report a good year

Want to buy farm bank

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — Mark Mosevics, chairman of the board of Danot Investments, of First International Investment Holding (FIBI) (which is owned by Danot), and also of the First International Bank (which is owned by FIBI), yesterday declared: "Not only is First International not up for sale, but we are even trying to buy another financial institution, the Agriculture Bank — and we have informed the government, which owns this latter bank, of our willingness to acquire it."

Mosevics, who was speaking at a press conference at which the financial statements of FIBI and First International were revealed, added however, "that everything has its price, and if we can get a good price for First International, well, we might sell."

(Earlier in the year, Mizrahi offered \$150m. for First International. The deal fell through due to the refusal of the Finance Ministry and the Bank of Israel to approve it.)

Mosevics said that both FIBI and First International had had "very good years, and we expect profits to maintain the same high level in 1983. We are still maintaining an aggressive policy and we expect to see continued good results."

Seven branches were opened in 1982, he reported, bringing the total of First International's up to 65, and

a further seven are to be opened in the current year.

"And one of them, or perhaps one of the existing ones, will be open 24 hours a day." He declined to reveal the site of this "around the clock" bank, only noting that the precedent for 24-hour banks had been established in the U.S.

Moreover, First International would expand abroad. At present it has only one outlet, in London (which after 18 months of activities already has a profit of £200,000). The other would be "in Europe or in the U.S., or perhaps in both places."

He revealed that the bank was considering "providing uniforms for all its personnel who have daily contact with the public. The uniform would be blue and yellow, the bank's colours."

Mosevics said the bank's profits — "I'm ready to say that we are the most profitable among the medium-sized and large banks" — was due in great part to its devoted staff and the personalized attention they gave to each and every customer.

As for FIBI itself, the holding company was declaring 100 per cent bonus shares, bringing up to 264 per cent the entire amount of bonus shares declared for 1982. In addition, a five per cent dividend in cash had already been paid in 1982.

The net profits after tax were \$1,468m. in 1982, which was a 812 per cent increase over 1981, or 295 per cent in real terms (based on an inflationary spiral of 130.6 per cent). In dollar terms, net profits had grown by 323 per cent to stand at \$43.6m. However, a goodly part of this net profit is due to the one bil-

lion shekel emission floated by First International at the end of 1982.

As for First International itself, its managing director, Sadik Bino, noted that net profit after tax stood at \$445m., a 101 per cent increase in real terms. However, if "extraordinary capital gains" were taken into account (i.e. sale of part of Merav mortgage bank, which is run by First International), the net profits after tax were \$590m., a real gain of 309 per cent over 1981.

"No matter what type of accounting you use, we had a very good year," Bino said, adding that if the total net profits were figured according to Recommendation 23 of the Bureau of Certified Accountants, the bank showed a growth of 329 per cent in real profits. Or if the accounting was done in dollars, the total net profit grew by 334 per cent in real terms, from \$6.2m. in 1981 to \$26.9m. in 1982.

The balance sheet of First International grew by 16 per cent in real terms to stand at \$568,202m., while its "capital, funds and reserves" grew by 318 per cent to stand at \$2,370m. (of which one billion was raised as an emission at the end of 1982).

First International is declaring 100 per cent bonus shares.

Questioned about the recent stock market slide, Bino noted that when a "mutual fund rises in value by 600 per cent in one year, and some funds rose by 30 to 40 per cent a month, well, you can expect a collapse. This is only common sense."

However, First International had expected this, and had reduced the holdings of its mutual funds in stocks accordingly. The bank held



Mark Mosevics (Newphoto)

6.4 per cent of all the mutual funds (figured in shekels) in 1981, while by the end of 1982, it had only four per cent.

It had also reduced its participation as underwriters "since we did not want to touch any company of whose future we were not sure."

Bino advised investors to go back to using the old price earning ratio as a basis for investment. "And without trying to tell anyone what a good buy is, I would like to state that the p/e of FIBI is 6.9 and of First International is 6.3. This is lower than that of any of the other medium or major banks."

He claimed that First International, unlike the Big Three and a few others, "did not regulate the price of its shares on the stock market. When First International has a good year, the price of its shares goes up, when it has a fair year, the price does not go up; with some banks, the price is regulated and it goes up month after month, whether the bank has a good, fair or bad year."

5,000,000,000 phone calls a year

Jerusalem Post Reporter

A total of five billion telephone calls were made over the Communications Ministry's 965,000 lines last year.

Ministry statistics show that Haifa has the most phones per capita, with 88 per cent of every household having a phone, compared with 82.5 per cent in Tel Aviv and 70.7 per cent in Jerusalem (including East Jerusalem). The national average is 66 per cent.

Israelis called the ministry's special number to check the correct time 37 million times last year, and called the automatic wake-up service \$1.5 million times. They also called information (14) 20 million times in 1982 (it does not include those who found the number busy).

A total of 5.8 million minutes of long-distance phone calls were made abroad, earning the ministry about \$98 million in gross income.

Some 450 million pieces of mail were posted in Israel.

Chemical exports up

TEL AVIV. — Exports by Israel Chemicals (potash, phosphates, bromides, etc.) stood at \$33.4m. in January, 1983, a 52 per cent increase over the same month in 1982.

However, Yoram Ziv, managing director of the government company, noted that it was too early to take this sharp jump as a reversal of the depressed market abroad.

SOLDIERS' BANK. — Bank Otzar Le'hayal has opened an outlet in Holon. The Bank now has 21 branches.

Investors' mailbox

By JOSEPH MORGENTHAU
Post Finance Reporter

QUESTION: Is there a big difference between commissions on share purchases charged in Israel and in America?

ANSWER: The purchase and sale commissions charged by Israeli banks and brokers are a maximum of 1 per cent and are scaled downwards in terms of size of the purchase. Purchase commissions on American shares traded "over-the-counter" can run in the order of 4 per cent or more. Therefore, it is not advisable to buy American stocks with a hope of a quick 2 or 3 point gain. The purchase and selling costs must be taken into account as well.

QUESTION: You use the expression "floating rate of interest." What do you mean by that?

ANSWER: Floating rate of interest notes or bonds, such as the Gilboa type, are bonds whose rate of interest is fixed every six months. Each time the rate is established it may be higher, lower or the same as the previous rate of interest and is fixed in keeping with interest rates in force on the market at that time.

QUESTION: How old is the Tel Aviv Stock Exchange?

ANSWER: The Tel Aviv Stock Exchange was established in September 1935 and was then known as the Tel Aviv Securities Clearing House (TASCH). It was initiated by the Anglo Palestine Bank and based on an informal agreement among several banks and brokers. The TASCH conducted daily trading sessions at which time it fixed buy and sell prices. In September 1953 the Tel Aviv Stock Exchange Ltd. (TASE) took over from the TASCH and provided its members with trading and clearing-house facilities. The TASE, which is located at 113 Rehov Allenby, will shortly be moving to its new head-

quarters in Rehov Ahad Ha'am in the heart of the financial district of Tel Aviv.

QUESTION: What is meant by arbitrage when it comes to shares?

ANSWER: Arbitrage is the simultaneous buying of securities in one market and selling it in another at a price advantage. For example, the price of Elron ordinary shares may be higher in Tel Aviv than on the American "over-the-counter" market. To take advantage of the price differential you sell the Elron shares here in Tel Aviv and buy the shares in America at a lower price. The difference between the sum realized from the sale and the purchase cost after taking expenses and commissions into consideration is one's arbitrage profit.

QUESTION: I have heard the expression "private placement" used in reference to investments in some of our Israeli science-based industries. What does it mean?

ANSWER: It implies a direct sale of securities between an issuer and an investor, or a financial institution, without using regular channels of the public market.

QUESTION: What is meant by profit-taking?

ANSWER: This phrase describes the active selling of a security which has risen in price as sellers realize their profits, depressing the price in the process.

QUESTION: What does it mean to sell short?

ANSWER: It is the sale of a stock which the seller does not own and which is borrowed indefinitely for him by his broker to make delivery. The seller is expecting a fall in the stock's market price, at which time he will buy to repay the borrowed stock and make any profits, the difference in a short sale and made to purchase. In Israel with three exceptions, the practice of selling short is not allowed.

Ministry of Construction and Housing Schemes—Registration for New Immigrants Only

Details and Registration:
— JERUSALEM: Clal Centre, Tel. 02-245630
— at the Ramot site
— HAIFA: 28 Rehov Nathanson, Tel. 04-671860

RAMOT JERUSALEM, STAGE B

Spacious flats offered at Ramot —
2 rooms, from 64.1 sq.m.
from IS 1,243,000
3 rooms, from 84.5 sq.m.
from IS 1,701,000
4 rooms, from 94.2 sq.m.
from IS 2,039,000

The above prices are to be paid within 30 days of registration, and do not include VAT.

Also, 5 room cottages — open market sale.

OREN HACARMEL (Nesher)

Spacious flats offered —
3 rooms apartments
4 room apartments

TWO-IN-ONE CROSSWORD

CRYPTIC PUZZLE

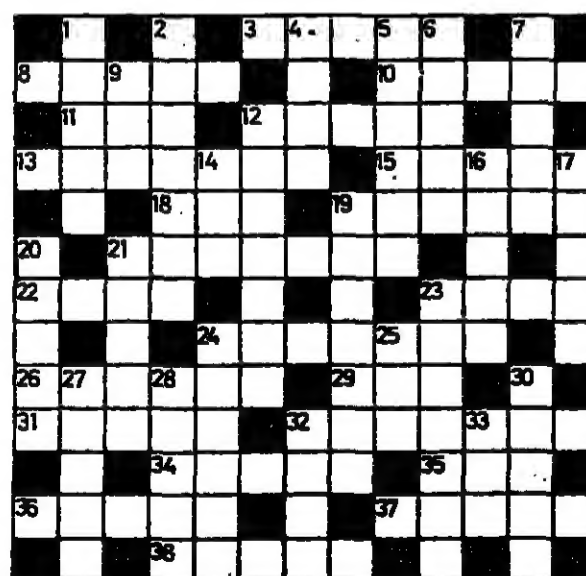
ACROSS

- 3 Arrow shot down a mine? (5)
- 8 Like money due when dad gets a toy out (2, 3)
- 10 They're sweeter when Swiss (5)
- 11 Grand name for a girl (3)
- 12 The nymph Diana became? (5)
- 13 Prepare to overtake and draw away (4, 3)
- 15 I enter a labyrinth for something to eat (5)
- 18 Make an extra contribution (3)
- 19 Whence the water is hot by nature? (6)
- 21 Soccer start you may have seen with Villa (7)
- 22 Keep aboard ship (4)
- 23 It's only me again (4)
- 24 Possibly startle a young player (7)
- 26 Hunt for reduced purchases (6)
- 29 A particle in nuclear fission (3)
- 31 Sharpened for the houseman? (5)
- 32 A marine, yet 'army' creature (7)
- 34 Those ghostly sounding Rovers (5)
- 35 She's very good at finishing as she starts (3)
- 36 Not able to take a fathead into the unit (5)
- 37 Composer of the Spanish rag, possibly? (5)
- 38 No elf can possibly be a villain (5)

DOWN

- 1 Elephantine malefactor? (5)
- 2 There's a wild llama on the road, duck (7)
- 4 The race for winter comfort? (4)
- 5 Surroundings that contribute to many spectacles (6)

Use the same diagram for either the Cryptic or the Easy puzzle.



- 6 It finishes tonight (5)
- 7 Burn mark on a horse? (5)
- 9 The piano man's mate (3)
- 12 Naked colonial? (7)
- 14 Arithmetically eccentric? (3)
- 16 Form of stile seen amid water (5)
- 17 Got the royal colour wrong? (5)
- 19 To do it quick is too often the scheme (3, 4)
- 20 A selective question (5)
- 21 He and Ian are foreign (5)
- 23 Not what hen parties are for (4, 3)
- 24 Though dignified, upset Ed's tea (6)
- 25 Plenty of sterling to change (3)
- 27 Grey dog? (5)
- 28 Less than a letter (5)
- 30 Like a moon maiden between opposing sides (5)
- 32 He gives a funny toot (4)
- 33 Fighting dog? (3)

Yesterday's Cryptic Solution
ACROSS — 1. Slips, 6. Jumpy, 9. Hide-Ous, 10. Sat-in, 11. Gears, 12. Frings, 13. SE-ville, 15. Pop, 17. Trip, 18. Benito, 19. Aster, 20. French, 22. Fawn, 24. Far, 25. Scarlett, 26. L-each, 27. Spoon, 28. Milky, 29. Starler, 30. Edits, 31. Lying, 32. A, 33. Philp, 34. Sin, 5. Met-re, 6. Juggler, 7. I-S-E-S, 8. Parrot (fashion), 12. Flash, 13. Stiff, 14. Vi-per, 15. Final, 16. Point, 18. B-E-ach, 19. AC-cent, 21. Rapped, 22. Fruity, 23. We-a-Ken, 25. Score, 26. Lost, 28. Me-L.

Yesterday's Easy Solution
ACROSS — 1. Attic, 6. Suede, 9. Darling, 10. Plain, 11. Alone, 12. Fairy, 13. Peaches, 15. Wet, 17. Army, 18. Before, 19. Toward, 20. Retain, 22. Bear, 24. Sly, 25. Seconds, 26. Edict, 27. Still, 28. Small, 29. Severed, 30. Adder, 31. Ashes, 32. W, 33. Teller, 34. Idiot, 4. Cat, 5. Fleas, 6. Starled, 7. DOW, 8. Dinger, 12. Felon, 13. Pairs, 14. Amity, 15. Woven, 16. Ugly, 18. Beret, 19. Tiddler, 21. Elated, 22. Bounds, 23. Advice, 25. Screw, 26. Elc, 28. Sea.

Solutions to today's puzzle tomorrow

Safe Drivers SAVE SCHOOL CHILDREN'S LIVES



WHAT'S ON

Notices in this feature are charged at IS127.60 per line including VAT, insertion every day costs IS2518.50 including VAT, per month. Copy accepted at offices of The Jerusalem Post and all recognized advertising agents.

Jerusalem

MUSEUMS

Israel Museum, Exhibitions: Permanent collection of Judaica, Art and Archaeology; Portables — an exhibition from the Museum's collections; Primitive Art from the Museum's Collection; Bezalel 1906-1929: Art of Bezalel; Teachers: Tip of the Iceberg No.1, 19th century French drawings and prints from the Museum's collection; Japanese Miniature Sculpture, 18th-19th century Netsuke and Inro; The Wonderful World of Paper (Paley Centre); Letterheads by Pentagram; Special Exhibits: Pilgrim Souvenir Objects and Christian Lamps, 6th cent. C.E.; Clay Jug and Juglet, early second millennium B.C.E.; Kadesh Barnea, fortresses from Judean Kingdom (Rockefeller Museum); Visiting Hours: Main Museum 10-5, At 11: Special guided tour of Archaeology Galleries, 3:30. Film, "David Copperfield", 8:30. Museum Without Walls, Lecture series, "The Impressionists", Introduction by Ygal Zalmona, Curator of Israeli Art. CONDUCTED TOURS HADASSAH — Guided tour of all installations. Hourly tours at Kiryat Hadassah and Hadassah Mt. Scopus. Information, reservations: 02-416333, 02-462771.

Hebrew University: 1. Tours in English at 9 and 11 a.m. from Administration Building, Givat Ram Campus. Buses 9 and 28. 2. Mount Scopus tours at 11 a.m. from the Brodman Reception Centre, Sherman Building, Buses 9 and 28 to last stop. Further details: Tel. 02-882819. American Mizrahi Women, Free Morning tours — 8 Alkalai Street, Jerusalem, Tel. 02-692222.

Tel Aviv

MUSEUMS

Tel Aviv Museum, Exhibitions: City and Art; Dizengoff House; Tel Aviv, Early Photographs; East or West, Architecture in Israel 1920-1933; Collections: Israeli Art 1960-1980; Classical Art from the 17th and 18th centuries; Impressionism and Post Impressionism; 20th Century Art in Europe and the United States; Archipenko, Early Works (1910-1921); New Exhibitions: Aman: Parade of Objects, Retrospective 1925-1982. Visiting Hours: Sun-Thur. 9-1; 5-9. Fri. closed, Sat. 10-2; 7-10. Hadassah Rehabilitation Pavilion: New Exhibition — Michal Na'aman 1973-1983. Visiting Hours: Sun-Thur. 9-1; 5-9. Fri. closed, Sat. 10-2. CONDUCTED TOURS American Mizrahi Women, Free Morning Tours — Tel Aviv, Tel. 220187, 243106. WIZO: To visit our projects call Tel Aviv, 232399; Jerusalem, 226060; Haifa, 89537. PIONEER WOMEN — NA'AMAT, Morning Tours. Call for reservations: Tel Aviv, 256096.

Haifa: What's On in Haifa, 04-640646.

Rehovot

The Weizmann Institute: Grounds open to public from 8.00 a.m. to 3.30 p.m. Visitors invited to see audio-visual programme on Institute's research activities, shown regularly at 11.00 a.m. and 3.15 p.m. Friday 11.00 a.m. only. Tours of the Weizmann House every half hour from 10.00 to 3.30 p.m., Sunday to Thursday. Nominal fee for admission to Weizmann House. No visits on Saturdays and holidays.

GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Mount Olives, 287480. Baitan, Salah Eddin, 272315. Shu'afim, Shu'afim Road, 810708. Dr. Eldava, Herod's Gate, 282058. Tel Aviv: Sdeh Dov, 3 Hauser, 428510. Kupat Holim Chailit, 7 Amsterdam, 225142. Netanya: Kupat Holim Chailit, 31 Brodetsky, 91123. Haifa: Yavne, 7 Ibn Sina, 672288.

DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatrics), Hadassah E.K. (internal, surgery, orthopedics, E.N.T.), Migdal LeChai (obstetrics), Shear Zedek (ophthalmology). Tel Aviv: Roka (pediatrics, internal, surgery), Netanya: Laniado (obstetrics, internal, pediatrics, gynecology, surgery), Migdal LeChai: Open line 4-6 p.m. every Monday answers to obstetrics, gynecological, sterility, sexual functioning and family planning problems. Tel. 02-633356.

POLICE

Dial 100 in most parts of the country. In Tiberias dial 244444, Kiryat Shmona 40444.

GIVE SOLDIERS LIFTS

FIRST AID

Magen David Adom first aid centres are open from 8 p.m. to 7 a.m. Emergency home calls by doctors at fixed rates. Sick Fund members should enquire about rebates. Phone numbers: Jerusalem: Tel Aviv, Haifa, 101, Dan Region (Jerusalem: Gan, Bnei Brak, Givatayim) — 781111.

Ashdod 22333, Ashkelon 23333, Be'er Sheva 78333, Eilat 72333, Golan 80333, Hadera 22333, Netanya 23333, Nazareth 54333, Negrata 23333, Petah Tikva 51333, Rehovot 054-51333, Rishon LeZion 94233, Safed 30333, Tiberias 20133.

"Ezer" — Mental Health First Aid, Tel. Jerusalem 699111, Tel Aviv 253311, Haifa 588, Be'er Sheva 33111, Netanya 3816, Rake Crisis Centre (24 hours), for help Tel Aviv — 234619, Jerusalem — 510116, Haifa — 88791.

FLIGHTS

24-HOUR FLIGHT INFORMATION SERVICE. Call 03-972484 (multi-line). ARRIVALS ONLY (TAPED MESSAGE) 03-295555 (20 lines).

The public comes back buying

TEL AVIV. — Rising turnovers accompanied by broadly rising prices yesterday gave evidence that at least a part of the general public was re-entering the share market. The general share index, commercial bank shares excepted, registered a robust advance of 2.47 per cent.

All sectors of trading participated in the advancing market. The best performing groups were the trade and services sector with a 5.24 per cent gain, followed by the specialized financial institutions which rose by 4.99 per cent.

Along the way there were 12 "buyers only" while only two issues were established as "sellers only." In addition no fewer than 92 securities came through with gains of more than five per cent.

Many 10 per cent gains were to be noted among the various groups of share trading.

Yesterday marked the first day of trading for the new Maxima issue. The 1.0 shares were nicely ahead by 25 per cent and were among the most actively traded shares. The Maxima 5.0 came under severe selling pressures but the shares were unchanged from their issue price as more than 7.2 million shares changed hands.

This week may very well prove to be a major test of whether the market will be able to maintain its upward posture. A number of favourable circumstances point to a week of further gains. Some IS\$55, worth of redemptions of savings schemes are beginning to be returned to the public. To tempt them, there is a slew of new public

Tel Aviv Stock Exchange

By JOSEPH MORGENSTERN

offerings with several having investment allure. These include Ondine, Clal Computers, Malat, Drucker-Zecharia, Storage of Technology, Octagon Industries and Aramim. The computer issues may prove to be especially attractive as the investing public has shown a propensity to invest their money in areas which they associate with Israeli brain-power.

Perhaps a mitigating factor is the continuous concern over the very real possibility that the Treasury may once again step in with an announcement which may have a depressing effect.

Yesterday the shares of FIBI and of First International Bank did not trade as both institutions unveiled financial results — both extremely favourable.

Between now and the end of March it is expected that the whole commercial banking community will have announced their financial results. Yesterday's reports gave support to the generally held belief that the commercial banks, under inflationary taxation accounting, will come through with extremely favourable results. In yesterday's on-the-market trading, the commercial bank shares came through with their normal modest gains. Israel Maritime was the exception as they advanced by 5.4 per cent, in active trading.

In the specialized financial institution group, Clal Leasing enjoyed a good session with a rise of 10 per cent.

Broad, though generally only moderate, gains were to be noted among insurance equities.

Among service and trade issues, Lighterage traded ex-25 per cent bonus shares. The 0.1 shares were established as "buyers only" while the 0.5 issue was ahead by 10 per cent. Newly-issued Hilan was down by 10 per cent. Cold Storage 1.0 zipped ahead by 12.4 per cent.

Supersol 2.0 and Nikuv Com-

puters 5.0 both scored 10 per cent gains. Rassco Pref. with a 10 per cent rise was the best performer among a rising group of land development and real estate issues. Industrials enjoyed a session of rising prices, the Elco shares were both up by 10 per cent. Other 10 per cent winners included Agan options, Bar-Ton 1.0, Dafnon 5.0, Rim options, Polgat 0.4, Polygon and Katzenstein-Adler 1.0.

Investment company issues also enjoyed an above-average performance. Investment of Paz (b) was up by 10 per cent, as were Wolfson 0.1 and Pama 0.5.

The index-linked bond market was mostly unchanged and trading turnovers remained under the \$105m. level.

Most active stocks

Mizrahi	978	8,814.7	+6
General A	240	7,216.7	n.c.
IDB Dev.	2450	4,250	+25
Shares traded: IS\$146.7m.			
Convertibles: IS\$9.2m.			
Bonds: IS\$104.6m.			

THIS WEEK'S EVENTS

Feb. 22, Ondine — closing of public subscription at 2400 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Feb. 22, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 23, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 24, Dafnon — closing of public subscription at 1514 per cent per share. Feb. 25, Dafnon — closing of public subscription at 1514 per cent per share.

Company	Price	Change	% Change
Lighterage 0.1	1167	b.o.l.	+56 +5.0
Lighterage 0.5	807	1,507	+73 +10.0
Cold Storage 1.0	1363	1,126	+116 +8.5
Old Store 1.0	8176	10	+0.1
Israel Electric	no trading		
Dan Hugel's	394	166	+3 +3.8
Dan Hotels	272	233	+2 +7.7
Corral Beach	171	b.o.l.	+8 +4.9
Corral B. op 1	138	b.o.l.	+11 +8.6
Corral B. op 2	415	62	+10 +2.5
Tela	220	399	+5 +2.3
Tela op 1	167	176	+4 +2.5
Magor 0.1	2272	6	-100 -4.2
Magor U.S.	800	40	+23 +3.0
Magor op 1	1980	18	+0.9
BondWare 0.1	335	160	+70 +15.1
BondWare 0.5	280	529	+25 +9.3
BondWare op 1	184	255	+9 +5.1
Yahalom	252	353	+10 +4.1
Yahalom op 1	151	85	+11 +7.9
Nikuv 1.0	780	77	+37 +5.0
Nikuv 5.0	550	147	+450 +10.0
Nikuv op 1	531	5	+0 -1.9
Consent. Hold.	1530	14	+100 +6.5
Consent. op 1	1501	3	+10 +7.7
Consent. op 2	1698	57	+18 +1.1
Rapaz 0.1	2200	18	+0.8
Rapaz 0.5	550	245	+30 +5.8
Supersol 2	3795	75	+345 +10.0
Supersol 10	1972	31	+3 -2.3
Supersol 10 op 1	1651	3	-39 -2.3

Company	Price	Change	% Change
Land, Building, Citrus			
Oren op 1	877	10	+42 +5.0
Azaron Invest.	571	782	+25 +5.3
Azaron op 1	3050	5	+0.2
Azaron op 2	1235	140	+100 +8.6
Azaron op 3	445	167	+36 +8.2
Africa 1.0	7330	37	+0.5
Africa 1.0 op 1	6372	23	+0.4
Africa 1.0 op 2	4752	3	+0.1
Africa 1.0 op 3	409	171	+42 +10.3
Africa 1.0 op 4	210	313	+9 +4.5
Africa 1.0 op 5	520	7	+20 +4.0
Ben Yakar	1675	93	+60 +3.7
Ben Yakar op 1	1430	2	+0.2
Baranovitz	163	431	+1 -3
Baranovitz op 1	123	220	+0.1
Danker 1	303	381	+2 +7.7
Danker 2	380	381	+0.1
Danker 3	1490	-20	-1.3
Danker 4	314	50	+2 +6.4
HLB 0.1	429	146	+3 +7.1
HLB 0.2	432	443	+11 +2.6
HLB 0.3	1905	168	+150 +8.4
HLB 0.4	1325	20	+25 +1.9
HLB 0.5	2290	7	+0.3
ILDC	4700	82	+70 +1.5
ILDC op 1	4570	3	+0.1
ILDC op 2	300	443	+9 +3.1

Company	Price	Change	% Change
Israpo	376	173	+12 +3.3
Israpo op 1	470	137	+10 +2.2
Israpo op 2	854	194	+8 +1.4
Israpo op 3	389	123	+10 +2.6
Israpo op 4	257	140	+2 +0.8
Israpo op 5	200	83	+10 +5.3
Lumir	296	144	+1 -3
Lumir op 1	159	909	+0.1
Lumir op 2	100	157	+0.2
Lumir op 3	3422	13	+0.4
Lumir op 4	1901	12	+0.6
Lumir op 5	1865	16	+0.9
Lumir op 6	1854	194	+8 +1.4
Lumir op 7	11900	38	+0.3
Lumir op 8	2170	610	+28 +13.4
Lumir op 9	460	104	+10 +2.2
Lumir op 10	215	94	+19 +8.8
Lumir op 11	151	101	+0.1
Lumir op 12	910	49	+20 +2.3
Lumir op 13	428	25	+0.6
Lumir op 14	324	65	+6 +1.9
Lumir op 15	298	442	+1 -3
Lumir op 16	195	262	+0.1
Lumir op 17	134	307	+4 +3.1
Lumir op 18	1900	29	+0.5
Lumir op 19	1100	1332	+0.1
Lumir op 20	7120	194	+8 +1.4
Lumir op 21	1001	1001	+0.1
Lumir op 22	1010	11	+0.1
Lumir op 23	875	319	+35 +4.2
Lumir op 24	261	247	+9 +3.6
Lumir op 25	314	158	+30 +9.5
Lumir op 26	266	183	+17 +6.4
Lumir op 27	144	22	+3 +2.1
Lumir op 28	1099	128	+100 +10.0
Lumir op 29	907	73	+7 +0.8
Lumir op 30	802	60	+52 +6.5
Lumir op 31	165	158	+14 +8.4

Company	Price	Change	% Change
Agan Chem.	745	612	+45 +3.9
Agan op 1	500	131	+46 +10.1
Agan op 2	485	117	+17 +3.6
Agan op 3	335	114	+12 +3.7
Agan op 4	195	119	+92 +4.9
Agan op 5	1300	733	+101 +8.4
Agan op 6	859	329	+44 +5.4
Agan op 7	512	452	+34 +6.7
Agan op 8	303	260	+45 +15.2
Agan op 9	179	274	+96 +54.2
Agan op 10	103	155	+2 -2.4
Agan op 11	430	410	+10 +2.4
Agan op 12	15800	11	+150 +1.0
Agan op 13	1740	151	+15 +0.9
Agan op 14	306	17	+10 -1.9
Agan op 15	384	33	+0.1
Agan op 16	no trading		
Agan op 17	835	23	+45 +5.7
Agan op 18	430	16	+10 +2.4
Agan op 19	1085	60	+50 +4.8
Agan op 20	989	694	+54 +10.1
Agan op 21	308	5	+83 +10.1
Agan op 22	1500	1	+110 +7.9
Agan op 23	2983	3	+27 +1.0

Company	Price	Change	% Change
Industrial			
Agan Chem.	745	612	+45 +3.9
Agan op 1	500	131	+46 +10.1
Agan op 2	485	117	+17 +3.6
Agan op 3	335	114	+12 +3.7
Agan op 4	195	119	+92 +4.9
Agan op 5	1300	733	+101 +8.4
Agan op 6	859	329	+44 +5.4
Agan op 7	512	452	+34 +6.7
Agan op 8	303	260	+45 +15.2
Agan op 9	179	274	+96 +54.2
Agan op 10	103	155	+2 -2.4
Agan op 11	430	410	+10 +2.4
Agan op 12	15800	11	+150 +1.0
Agan op 13	1740	151	+15 +0.9
Agan op 14	306	17	+10 -1.9
Agan op 15	384	33	+0.1
Agan op 16	no trading		
Agan op 17	835	23	+45 +5.7
Agan op 18	430	16	+10 +2.4
Agan op 19	1085	60	+50 +4.8
Agan op 20	989	694	+54 +10.1
Agan op 21	308	5	+83 +10.1
Agan op 22	1500	1	+110 +7.9
Agan op 23	2983	3	+27 +1.0

Services & Utilities				Alumit 5	506	17	-10	-
				Alumit op	384	33	n.c.	-
				Alliance	no trading			
Galei Zohar 1	278	90	+1	Alaska Sport 1	835	23	+45	+1
Galei Zohar 2	180	68	+10	Alaska Sport 2	430	20	+10	+1
Galei Zohar op 1	131	67	+10	Alaska 5, op 1	400	16	-40	-
Galei Zohar op 2	483	215	+10	Elec 0.1	1085	60	+50	+1
Dekel 1	2567	337	+92	Elec 0.25 r	589	694	+54	+1
Dekel 2	2730	6	+30	Elec 0.25 b	908	5	+83	+1
Harel 1	370	350	+10	Elec op B	1500	1	+110	+1
Harel 5	201	91	n.c.	Elec 0.1	2985	3	+271	+1
Harel op 2	151	15	n.c.					

An Rath
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

Founded in 1932 by GERSHON AGRON, who was Editor until 1955. Editor 1955-1974 TED LURIE. Editor 1974-1978 LEA BEN DOR. EDITORIAL OFFICES AND ADMINISTRATION: The Jerusalem Post, Building, Romema, Jerusalem P.O. Box 81 (91000) Telephone 52181 Telex 26121. TEL AVIV 11 Rehov Carlebach, P.O. Box 20126 (61201) Telephone 294222. HAIFA 16 Rehov Nordau, Hadar Hacarmel, P.O. Box 4810 (31047) Telephone 645444. Published daily, except Saturdays, in Jerusalem, Israel by The Palestine Post Ltd. Printed by The Jerusalem Post Press in Jerusalem. Registered at the G.P.O. Copyright of all material reserved. reproduction permitted only by arrangement.

Abar 8, 5743 • Jamadi Awwal 8, 1403

UK stoops to the occasion

REPORTS of the Israel government's intention to appoint the current Israeli ambassador to South Africa, Elihu Lankin, as ambassador to London, has prompted protest in the British media and political community.

PLO supporter Lord Mayhew has termed the proposal "outrageous": Sir Evelyn Barker, the last British military commander in Palestine in the late 1940s which led up to Israel's independence, has termed it "nonsense"; a more balanced source, the *Daily Telegraph*, wrote in its editorial that the appointment would be "counterproductive" to Israel's public relations interests; and even such a friend of Israel as Winston Churchill, MP, has weighed in with terms such as "indecisive and insensitive in the extreme."

The cause of the "dust-up" in the *Telegraph's* words, is the fact that Lankin was a leading member of Menachem Begin's Irgun Zvai Leumi underground in the mid-1940s.

It is no secret that the Irgun was a self-declared foe of the British Mandatory authorities. It is also no secret that Lankin was one of the commanders of the Irgun, primarily of its operations in Jerusalem at one time, and of its celebrated gun-running ship, the *Altalena*.

This newspaper was at that time a determined opponent of the Irgun and of the irresponsible manner in which it conducted itself in the early stages of the fight for independence which often endangered its successful outcome. It continued to oppose the crude chauvinism of Begin's Herut party which grew out of the Irgun.

But there can be no doubt that the Irgun, and its excesses, were phenomena that reflected the despair of the Jewish People during the period of the Holocaust. This despair was at times turned into frenzy due to the callousness and even enmity of large sections of the British political leadership during those tragic times.

Britain under the Attlee-Bevin government of 1945-48 was the enemy of the Jewish People; no other power in the world did as much, in the aftermath of the defeat of the Nazi enemy, to deny haven to the pitiful Jewish survivors of the death camps. And even after independence, the British Foreign Office, as declassified documents now reveal, did its best to sabotage any Arab moves towards peaceful accommodation with the Jewish State.

But that was all 30-40 years ago. If anyone is entitled to harbour long and bitter memories of that period it is the Jewish People, not Britain, whose hour of shame it was.

In these intervening years, it was Israel that sought to wipe the slate clean and foster close and even warm relations with Britain, with whom it shares many common values and interests. But Britain, cued by the Foreign Office, blew hot and cold in this relationship.

In the years after World War II, Britain proceeded to divest itself of its far-flung colonies. It frequently was confronted — and justly prodded towards more rapid decolonization — by numerous indigenous guerilla armies.

When those fights were finished, Britain knew how to receive graciously such former "terrorist" leaders as the late President Jomo Kenyatta of Kenya and Archbishop Makarios of Cyprus. Israel had the right to expect similar condolences and reconciliation in regard to Prime Minister Begin and now to Elihu Lankin. This expectation was all the more justified in light of the fact that the Irgun's enmity to Britain in no way matched that of many of the leaders of the African and Asian Third World colonies.

In the context of a democratically elected Likud government and given his own record, there is every reason to believe that Elihu Lankin would make a very good ambassador to the Court of St. James. But the *Daily Telegraph* may well be right: there is no point in going ahead with an appointment that could be "counterproductive."

That the appointment could be construed as such is a blot on the honour of Britain. It constitutes a sorry reminder of the truth that animosity to Israel, combined with more than a tinge of anti-Semitism, continue to contend in Britain with other more elevated feelings, which in an earlier period brought forth the Balfour Declaration.

SHARON ON PANELS

(Continued from Page One)

When yesterday's weekly cabinet session opened and Begin proposed giving Sharon membership on the two committees, Communications Minister Mordechai Zipori asked Begin to put off the vote for a week and said he too would like to be considered for the Ministerial Security Committee. Zipori outlined his own qualifications for a post on the committee, saying he had engaged in security work since the mid-1940s (longer than Sharon) and rising to the rank of *Taf-Aluf* in the IDF.

Zipori also pointed out that the original composition of the Ministerial Security Committee had been worked out according to political lines, within the wings of the factions making up the coalition.

It thus left out such experts as Zipori, whose Herut wing was over-represented, and put in such laymen as Health Minister Eliezer Shostak representing the La'am wing of the Likud, or Aharon Uzzan representing the Tami faction.

Zipori pointed out that Begin's appointment of Sharon would abolish this political criterion and introduce a different criterion of experience and qualifications which he felt applied to himself as well.

Begin refused to postpone the vote, and said it was important for the cabinet to benefit from Sharon's expertise. When the vote was held, Zipori voted against, while Deputy Premier David Levy and Industry and Trade Minister Gideon Patt abstained, though for varying reasons.

The Sharon appointments were seen as a characteristically astute move on Begin's part, designed to make Sharon feel wanted, while making it harder for him to meddle from the sidelines in the spheres he formerly controlled.

Begin is said to have been distressed at Sharon's recurrent diplomatic blunders and described them as a function of the man's poor personal relations, as well as his tendency to oversimplify in spheres which he did not understand.

Begin is said to have felt that Sharon brought confrontations upon the government, with the U.S. and with the Lebanese authorities, according to a close source.

Before the Kahan report came out, Begin made it plain to his immediate circle that the past few months in Lebanon had finally buried any illusions anyone might have about Sharon succeeding Begin once he stepped down as prime minister.

HOW TO SUCCEED IN WASHINGTON

By WOLF BLITZER

PRIME MINISTER Menachem Begin, Foreign Minister Yitzhak Shamir and the cabinet must decide soon on a new ambassador to replace Moshe Arens in Washington. For Israel's relations with, and image in, the United States, the decision is crucial and must be made with great care.

During conversations since Arens was tapped to succeed Ariel Sharon as defence minister, Israeli Embassy diplomats, American Jewish political activists, Reagan Administration officials, members of Congress and others have offered their advice on what the Israeli government should be looking for in a new envoy.

FIRSTLY, he must have clout with Begin and the cabinet. One of Arens's strong points was the widely held perception in Washington that he was an Israeli government insider — that when he spoke, people in Jerusalem listened.

His immediate predecessors, Simcha Dinitz and Ephraim Evron, had many excellent attributes, but one of their recognized weaknesses was the notion that Begin and other members of the cabinet did not really trust their views. This stemmed from the fact that both Dinitz and Evron had earlier served Labour governments; Dinitz was a close aide to former Prime Minister Golda Meir, and Evron to David Ben-Gurion.

Arens, a former chairman of the Knesset Foreign Affairs and Defence Committee and a heavyweight in the Likud inner circle, did not have to worry about that excess baggage. That was also the case when Yitzhak Rabin served as the Labour government's ambassador in Washington. Arens's successor should have a direct and credible line to Begin.

SECONDLY, he must be a skilled diplomat. As Israel's point man in the U.S., the ambassador must promote Israel's interests, first and

foremost among the senior echelon of the Reagan administration. That includes the president, the vice-president, the secretary of state, the secretary of defence and their aides.

He must also know when to turn to other sources of support for Israel in the continuing struggle for the making of U.S. policy — specifically, the Congress, the media, the Jewish community, organized labour, academics and others.

He must be polished in this difficult task, always recognizing that support for Israel has been bipartisan, that Israel has both friends and enemies in the Democratic and Republican parties, and that the same holds true across the political ideological spectrum. There are both conservatives and liberals who support and oppose Israel.

The ambassador must know when to keep his mouth shut on contentious domestic American issues and when to speak out. He must always be on guard.

THIRDLY, he must be an ace investigative and diplomatic reporter. The ambassador and his staff are the front line of Israel's eyes and ears in the U.S. His cables and reports to Jerusalem must explain cogently and precisely the current thinking in Washington and around the country on issues of specific concern to Israel. That means spotting negative trends in U.S. policy early — before they are set in concrete.

It is in this area, by the way, that Arens's one glaring failure occurred. Like so many others in Washington, he was surprised by the timing of Reagan's September 1 Middle East peace initiative. To the embarrassment of Arens, the president and his aides had successfully managed to keep the secret.

FOURTHLY, he must be a crackjack speaker who is not afraid to appear on television. In fact, his ego should be large enough

so that he actually loves to go before the cameras at every possible opportunity. In the electronic age, this is the major arena where the battle for the hearts and minds of 220 million Americans is fought virtually every day.

He is Israel's man in the U.S. and, as Israel's chief spokesman, the ambassador is always in demand on the lecture circuit. He must love to orate.

The envoy also is sought out by the television networks, especially during crises. That means that his English must be perfect, and not heavily accented. (Arens, who grew up in America, had no accent. But perhaps even better than that is a British accent, which Americans simply love to hear. Abba Eban, in his time, did wonders for Israel.)

He must have full command of all the nuances of the language. He must be familiar with the history of the Arab-Israeli conflict, always eager to debate with his critics.

It is in this area that Arens excelled — as did Simcha Dinitz. They were crisp and effective in arguing Israel's case. Sending someone to Washington who is afraid of opening his mouth can prove disastrous for Israel.

FIFTHLY, he must be likeable. The fact is that personalities, not just issues, shape policies. He must know how to deal with Americans. If an Israeli ambassador is gruff or bitter all the time, no one will want to talk with him, spend time with him. He has to know how to laugh and be "one of the boys," especially in establishing personal relationships with key administration figures, senators, columnists and other influential Americans. That means knowing how to operate in small, private meetings; how to make private backroom deals. Ephraim Evron, a career diplomat, was very strong in this area.

Dry Bones



FINALLY, he must be a good administrator. The Israeli Embassy in Washington is a big operation, employing scores of people. The ambassador, moreover, is also responsible for eight other consulates around the country. The bureaucracy is large and can be unruly if not controlled from the start. He has to know how best to use his staff, how to delegate responsibility and how to get the job done quickly and efficiently.

In short, the task is quite difficult. He needs the oratory skills and diplomatic experience of an Abba Eban; the backroom political acumen of an Ephraim Evron; the ability to get along with Americans of a Simcha Dinitz; the credibility in Jerusalem of a Moshe Arens or a Yitzhak Rabin.

Finding someone who meets all those requirements will not be easy. In fact, it will be impossible, since such a super ambassador does not yet exist.

But the emerging consensus among many pro-Israel supporters in Washington who have had an op-

portunity of sizing up all the various names currently being mentioned in Jerusalem is that the best choice under current circumstances is David Kimche, the highly-respected director-general of the Foreign Ministry.

Kimche certainly does not meet all the requirements. For one thing, he is not a card-carrying Herutist — as is Arens. Kimche spent most of his professional career in the Mossad before joining the Foreign Ministry. He, therefore, will not be working with him much party clout.

But he is still known to have the highest confidence of Begin, Shamir, and the other coalition ministers. A first-rate diplomat, he is smart, polished and a good speaker (with a British accent, no less, since he made aliya from England).

Who would replace Kimche as director-general of the Foreign Ministry? The most logical choice, of course, is Hanan Bar-On, his current deputy and another "diplomat's diplomat."

The writer is The Jerusalem Post's Washington correspondent.

READERS' LETTERS

BEREAVED PARENTS

To the Editor of The Jerusalem Post: Sir, — Eight months have passed since our son, Yaron, was killed on the Beaufort. We have recently returned to Ariel Sharon his letter of July 1982. Except for his description of Yaron's character, his other statements were far from accurate.

We have no intention of letting Sharon participate in our mourning. How can we accept condolences from the initiator of the war in which our son was killed?

Sharon boasted that the Beaufort was taken with no casualties, thus causing us untold hurt and suffering and this after the men in Yaron's unit reported that six of their comrades were killed in a useless and unjustified war on foreign soil which was initiated primarily by Sharon.

Yaron did not give his life for his country, rather Sharon and his colleagues have turned Israel into an altar on which we sacrifice our young men.

VICTIMS OF TERRORISM

To the Editor of The Jerusalem Post:

Sir, — Side by side in The Post of February 14 are two condolence notes placed by the Government of Israel: one refers to Emil Grunzweig and the other to Esther Ohana. They appear identical in all respects, but their phraseology differs slightly. Esther Ohana, killed by a rock thrown at the Dahariya refugee camp, "fell by the hands of terrorist evildoers," while Emil Grunzweig's murder at a Peace Now demonstration was simply "at the hands of evildoers."

By which criteria did the responsible government official delete the word "terrorist" from his formula? Since violent death was the case in both instances, one is led to presume that terrorist evildoers kill with rocks and plain old evildoers employ IDF grenades.

Besides providing an inelegant but eloquent statement of official

perceptions, that absent adjective both insults the bereaved and proposes that the presumed national identities of the perpetrators is a sufficient condition for defining terrorism.

Emil Grunzweig, quite simply, is a victim of terrorism.

JOE LOCKARD
Jerusalem.

PENFRIENDS

MONA MELIN (18), of Regementsgat 52 A, 21748 Malmö, Sweden, would like to correspond with young Israelis. She is interested in music, clothes and animals.

MARIE A.R. MORRIS of 16, Autrim Cres., Kingston 3, Jamaica, would like to correspond with Israelis between the ages of 19 and 22. She plays the piano and collects stamps.

POOR JOB AT EL AL

To the Editor of The Jerusalem Post:

Sir, — The authorities who decided the fate of El Al have thoroughly bungled their job.

Having secured, through blackmail and coercion, the agreement of the ground staff to the stiff conditions laid down by them, they are sitting back, patting themselves on the back for a job well done and waiting for the airline to start showing profits and come back into the black again.

Little do they know that a bird with its wings clipped cannot fly. The government has authorised charters to fly the routes once covered by El Al; it has granted its patronage to Maof Airlines, to CAL, to Arkia, taking away huge alms from El Al's income.

Even a healthy airline would find it impossible to show profits when burdened with such millstones.

DAVID M. BENJAMIN
Lod.

THE CARMEL INSTITUTE

To the Editor of The Jerusalem Post:

Sir, — Under the heading, "14th cleared of charges" (December 14), the Rev. Per Faye-Hansen, secretary-general of the Carmel Institute (the Scandinavian Bible Institute and Seamen's Church in Israel), says that he believes that the PLO was behind accusations levelled against him. This is entirely incorrect.

Over a year ago, there was a break between the Rev. Faye-Hansen and the Carmel Institute's board. The immediate reason for this break was the way he and his family treated the young people in the service of the Carmel Institute.

In addition, many questions had been raised as to Rev. Faye-Hansen's economic transactions on behalf of the Institute. A committee of friends of the Institute wrote him a letter, asking him some crucial questions on the subject. Instead of sending us a conciliatory reply, he sent us an angry and negative one,

and answered none of our questions.

The committee wrote again, informing him that, if he did not reply by a certain date, he would forfeit his confidence as to his management of the Institute and it would have to conclude that he was using the Carmel Institute as camouflage for his private business. His answer was even more angry than the first one and contained no replies to our questions.

We would add that the Norwegian tax authorities are now investigating the accounts and practices of the Carmel Institute.

Finally, his accusation that we, his former friends and collaborators, are in reality supporters of the PLO is ridiculous. He well knows that we are all 100 per cent anti-PLO and pro-Israel.

LEIF A. NILSEN
JOHAN H. JORDGENSEN
Jerusalem (Kristiansand, Norway).

PLAYBOY

STOCKING
GAMES ALL
AFTER MIDNIGHT
MARCH ISSUE
ON SALE NOW!
Sole Agency
BRONFMAN'S AGENCY LTD.

RENT-A-CAR

FROM \$6 PER DAY

All cars new
Pick up and delivery free
TAMIR, Rent-a-Car
8 Kikar Re'atzma'ut,
Netanya.
Tel. 053-31831 (day)
053-25763 (night)

peltours Ltd.
travel & tourism

Warmly welcomes the
BRITISH AJAX REPRESENTATIVES
to the 3rd
**WORLD ASSEMBLY OF
JEWISH WAR VETERANS**

ASK YOUR STORE FOR A FREE COPY OF THE R.V.A. PRODUCT GUIDE

I USE R.V.A. NATURAL COSMETICS NATURALLY!!!

RVA

KER Institute - Counseling Center of
RVA Natural Cosmetics, 16 He B'lyar St., Tel Aviv
Tel.: 03-255295/6

TWA to and through the USA.

Daily to New York & San Francisco

Widebody service, departs 07.15, arrival New York 14.45, San Francisco 19.15. From \$749 to New York.
TWA also flies to over 50 cities throughout the USA.

You're going to like us

